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bulletin



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The Department of State bulletin

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The Facts of Life About East-West Trade

by *Kenneth R. Hansen*

Of all the matters that keep Government people busy, the one that naturally overshadows all the rest is the security of the United States. President Eisenhower said in one of his recent speeches that the Nation's security is "the constant, controlling factor in our national life today." He said that the struggle to protect this security and to preserve freedom is being waged in many arenas—some of them military, some economic, political, scientific, intellectual, spiritual.

One of these many arenas is the arena of East-West trade—that is, trade between the free world and the Soviet bloc. And the Soviet bloc includes all the countries dominated by Moscow, from the Eastern Zone of Germany to the China Coast.

Most East-West trade takes place between Eastern and Western Europe. We all recognize that Communist China is a different situation. Therefore, even though China is a part of the Soviet bloc and commerce with the Chinese is a part of East-West trade, a discussion of the pros and cons of East-West trade does not apply fully to the Chinese situation. There we have been dealing with a case of armed aggression, and we are seeking to exert economic pressures by all practical means at our disposal. The United States does not ship anything at all to Red China, and the controls exerted by our allies are a great deal more comprehensive than they are in the case of trade with Eastern Europe.¹

Certainly, all Americans are together in the view that East-West trade, whether in Asia or Europe, should not give the Soviet bloc a net military gain over the free world. That would weaken our security, and in order to keep that from happening, all Americans want East-West trade to be controlled; they want it controlled in the interest of the security of the United States and the other free countries.

But not all Americans agree on what sort of

control program would best promote that security. Some well-meaning and patriotic Americans unfortunately have not thought in coldly practical terms about the subject at all, because we have failed somehow to acquaint them with the real facts about East-West trade; and in the absence of knowledge it is natural that opinions are often based upon popular fallacies and emotional responses.

The economic defense of the free world in the cloudy cold-war climate of today is not a simple black-and-white proposition. It is difficult and complex. It involves many sovereign governments—and bear this in mind: we are talking about their trade for the most part, not our own. It involves a great amount of intelligence work, and it involves considerations of so many different kinds that in our Government alone there are several agencies that have to participate in the program, including State, Defense, Commerce, and the Foreign Operations Administration—not to mention Congress. Therefore healthy differences of opinion about East-West trade problems are neither surprising nor disturbing. And as circumstances change, the East-West trade policies of this country must constantly be re-examined.

But a healthy divergence of opinion among people who know the essential facts is a very different thing from the unthinking emotionalism of people who are handicapped by serious misconceptions as to what those facts are.

It is important to answer and to dispel these misconceptions, for a very simple reason: They are dangerous to the very security that we all want to protect. They can, if they gain widespread acceptance, lead to extreme errors of policy.

Five Dangerous Misconceptions

What are these misconceptions? Here are some of them:

First, that all East-West trade is evil, per se, and ought to be abolished.

Second, that abolishing it would deal a vital

¹ For a Department statement on the control of shipments to Communist China and North Korea, see BULLETIN of Apr. 13, 1953, p. 532.

and decisive blow to the Communist war potential. Third, that our allies are pouring military goods into the Soviet bloc.

Fourth, that we could afford to dictate to our allies and force them to do whatever we wanted them to.

Fifth, that any time they acted contrary to our judgment we could bring them into line by cutting off all aid to them.

Let us consider first the fallacy that all East-West trade is evil in itself.

There are some people, intensely in earnest, who feel that every trade transaction between a free country and a country of Eastern Europe is unpatriotic, disloyal, trading with the enemy—even treason.

The fact of life is that in the cold-war climate of today, East-West trade is not necessarily evil, nor detrimental to the security of the West. The question is what is shipped, what time it is shipped, what is received in return, and who gets the net advantage from the transaction.

The fact of life is that trade is a two-way street, and that many free countries, unlike the United States, still are more or less dependent on this trade. They have strong economic motivations for continuing it.

Through this trade they receive materials they need, such as coal, bread grains, feedstuffs, and forest products—materials which in many cases actually support their defense efforts. They believe that this trade helps them to avoid unemployment and a lower standard of living.

Because they are short of dollar exchange, trade with the Soviet bloc to obtain essential materials eases their balance-of-payments difficulties and in some cases actually decreases their need for economic and financial assistance from the United States. These countries also want to preserve markets for export surpluses that they cannot readily sell in other parts of the world.

Besides the economic factor, these countries have other motivations for a certain amount of East-West trade, such as geographical proximity, traditional patterns of commerce, and internal political pressures.

And there is still another reason why East-West trade is not necessarily an assault on our security.

In Europe, at least, the United States and its allies are not trying to win a present all-out shooting war; we are trying to build such a position of strength that we can thereby deter aggression and secure peace.

Secretary Dulles told the Senate Foreign Relations Committee on May 6, concerning East-West trade in Europe:

I believe that that kind of trade can definitely be to our advantage in awakening the satellite countries to the possibilities of closer relations with the Western countries as against what they can get through their present relations with the Soviet Union.

Harold E. Stassen, formerly Director for Mutual Security and now Director of Foreign Operations, spoke in the same vein on May 10. He said in a radio speech that we are not now engaged in a third world war and we do not believe that a third world war is inevitable, and therefore we must look upon every part of the East-West relationship from the viewpoint of how it might move toward peace rather than war. He said that "if you just took the arbitrary and conclusive view" that Western Europe must raise up a steel curtain against the Iron Curtain, "then you would tend to move toward the inevitability of war" rather than keep alive the hope that through contacts, including the movement of nonstrategic goods, "you might thereby lay the basis for the gradual turning of policy in the direction that President Eisenhower envisioned" in his notable foreign policy speech of April 16.

The belief that all East-West trade is evil is certainly not shared by leading American businessmen. As evidence I call attention to the following resolution adopted in April by the Chamber of Commerce of the United States:

The Chamber supports collective measures on the part of the United States and allied nations of the free world to prevent Communist bloc countries from receiving strategic items which would contribute to their war potential.

The Western world hopes for the ultimate freedom of captive countries of East Europe. Commerce as a peaceful means of maintaining relationships with such countries could be singularly effective in penetrating their isolation.

Severance of all trade relations with those countries, however, would in some cases be more harmful to the free world than to the countries behind the Iron Curtain. The West obtains from the East commodities vital to its own defense and of value to its economic stability. The criterion of such trade must be one of net advantage. Full consideration must also be given to the alternatives and their implication.

Absolute embargo of the Soviet bloc would be cited by the Kremlin and Communist elements in other areas and thus serve as a powerful propaganda weapon.

The practical situation is that in the absence of all-out war, nonstrategic trade is going to continue. It probably will increase. There are strong motivations for it. The pressures for it are growing stronger. The alternatives to such trade are new sources of supply and new markets in the free world, and these sources and markets cannot spring up suddenly—they must develop slowly. Another alternative would be increased dollar aid from the United States; but aid is decreasing, not increasing, and that, too, is a fact of life.

So long as East-West trade does not give the Soviet bloc a net advantage and weaken our security, Americans need not view it with a chill of horror. And when we read in the paper, as we are bound to do, that such-and-such a Western country has signed a new trade agreement with such-and-such a Communist country, let's be sure we know what materials are involved in the agree-

ment before we automatically conclude that we are being sold out by our allies and that our world is crumbling beneath us.

Soviet Bloc Nearing Self-Sufficiency

The second misconception is that by cutting out East-West trade, it would be possible to strike a crippling and decisive blow at the Soviet military machine.

The fact of life is that the Russians have been deliberately working toward economic self-sufficiency, and they already have attained this in large measure. For the entire Soviet bloc, imports from the outside amount to less than 1 percent of the gross national product. By comparison, for the United Kingdom, imports represent 23 percent of the gross national product. For the United States it is 3 percent.

Do these facts sound gloomy or defeatist? They are not. They are only facts that we may as well face.

Through the control of strategic exports, the free world has accomplished much toward slowing the Soviet military buildup, and we can and will accomplish more. But there is nothing to be gained by pretending that the Soviet bloc is vulnerable in a life-and-death way to outside economic pressures.

The third fallacy is that our allies are pouring military supplies into the Soviet bloc.

Some people seem to have the impression that our partners in the mutual-security effort are blithely shipping arms, ammunition, jet engines, all sorts of things to the Communists. Actually, the major trading nations of the free world have been cooperating for years in a program of denying strategic materials to the Soviet bloc. They ship no arms, ammunition, implements of war, or atomic energy materials whatever. They maintain generally an embargo on a wide range of industrial items that would make a significant contribution to war potential—an embargo that is a great deal tougher with respect to Communist China than it is to Eastern Europe and that has not been relaxed since the truce in Korea. Many other items, of lesser strategic importance, are quantitatively controlled, though not embargoed.

The international control system is not perfect. There is an untoward volume of illegal trade in strategic materials; and in the vast complex of international trade, despite utmost vigilance, Communist agents and unprincipled profiteers are always finding new loopholes to exploit. Some of our allies are not doing all that they can and should in this regard. Even in the United States, which has an excellent enforcement organization, we have had in the last few years several hundred known violations of American export controls (though not all those involved strategic materials). We are working constantly to tighten the international

control system and bring about better enforcement.

But the idea of uncontrolled strategic shipments that some people have is exaggerated, and dangerously so, because it leads to unwarranted distrust and resentment toward the very countries that we badly need—and that badly need us—in the common defense effort.

Relations With Our Allies

Next, the misconception that the United States could afford to dictate to our allies and coerce them to do our bidding.

The fact of life was stated by President Eisenhower in a speech on June 10,² in these words: "All of us have learned—first from the onslaught of Nazi aggression, then from Communist aggression—that all free nations must stand together, or they shall fall separately."

The President continued:

This essential, indispensable unity means compromise—always within a clearly defined, clearly understood framework of principle. We know the need of compromise, in harmony with basic principles, within our own Nation. It is the essence of the democratic process. We should not be surprised that it applies just as vitally among nations—in the wide community of the world's free peoples.

... none of us can rightly forget that neither the world—nor the United Nations—is or can be made in a single image of one nation's will or idea.

Those simple facts stated by the President apply just as forcefully to East-West trade controls as they do to other foreign relationships.

Of course we do not always agree with other countries, but we recognize their right to sincere independent judgments.

To talk about "forcing" the British or the French or "ordering" the Italians or the Danes to do this, or not to do that, puts us in the class of the U.S.S.R. talking to its satellites. The United States has no satellites and wants none.

Therefore, in administering the economic defense program, we operate through negotiation, through persuasion, and through the weight of factual evidence.

Even if it were considered right to try to coerce other people to do things, it would not work. It would not improve the system of trade controls. It would not promote our security. On the contrary, it would weaken or disrupt the great alliance of free sovereign nations and enormously heighten our peril in the world.

So the East-West trade-control system must be carried on within the context of international cooperation and mutual respect. That is one of the most important of all facts of life about East-West trade.

Finally, we come to the misconception that any time a friendly country commits an East-West trade transgression—when judged according to

² *Ibid.*, June 22, 1953, p. 863.

our own ideas—we need only terminate U.S. assistance to bring that country into line.

This notion grows out of another misconception as to the nature of our foreign aid. Our foreign aid has nothing to do with charity. Our foreign-aid program, like so many other activities of the Government, is designed to strengthen our own security as well as that of the other free countries.

We have to think seriously before we cut off something that strengthens our national security. This might have the effect of cutting off our nose to spite our face.

Besides the impact on the Nation's security, there is another question: If we terminated all aid to a country on account of East-West trade, would that reduce East-West trade? More important, would it reduce trade in strategic materials? The answer is that it would very likely have the opposite effect.

The point is that, as a method of controlling East-West trade and furthering the security of this country, the termination of aid has limitations. It is not a device that we can afford to use lightly or often. Not that the termination of aid is always out of the question; if a country showed a flagrant unwillingness to cooperate in preserving freedom in the world, then we might fairly conclude that our aid was no longer serving its purpose; and we could and should terminate it without delay.

The Mutual Defense Assistance Control Act of 1951, known as the Battle Act, provides for the termination of aid to any country that refuses to cooperate in the East-West trade-control program. The Battle Act requires the termination of aid to any country that knowingly permits the shipment to the Soviet bloc of arms, ammunition, implements of war, or atomic-energy materials. No case of this sort has arisen.

The Battle Act also provides for termination if a country ships certain other things of strategic importance that have been put on an embargo list by the Battle Act Administrator—for example, petroleum, copper, certain machine tools, and a long list of comparable items. But in a case concerning these nonmunitions items, the act provides that the President may direct the continuance of aid "when unusual circumstances indicate that the cessation of aid would clearly be detrimental to the security of the United States."

Viewed in the light of the Nation's security, the misconceptions I have been discussing are matters of concern.

People saddled with these misconceptions would

have us insist on a complete halt to East-West trade, regardless of the economic and political effects on friendly governments. They do not realize that if we tried that, East-West trade would not cease, but the unity of the West would suffer untold damage and the mutual security program itself might be destroyed.

Under the Battle Act we are carrying out a vigorous program all over the free world, but it is a program in concert with other nations and not a program of dictation.

Through negotiations, through agreements, we are constantly pressing for more effective controls, but they are controls over the goods that the Soviet bloc needs for its military capacity and not a blockade against all trade regardless of where the net advantage lies.

The Battle Act provides for this kind of program, that is, selective controls over strategic items. It recognizes the importance of international cooperation. Its stated objectives include the strengthening of the free world, as well as the impeding of the military buildup of the other side.

Under this act, we are conducting a program in line with the facts of life, in the interest of the Nation's security.

• *Mr. Hansen, author of the above article, is Assistant Deputy Administrator of the Mutual Defense Assistance Control Act, in the Foreign Operations Administration (formerly Mutual Security Administration). His article is based on an address delivered on June 30 before the Commonwealth Club of San Francisco.*

Crown Prince of Japan To Visit United States

Press release 445 dated August 17

His Imperial Highness Akihito, Crown Prince of Japan, will arrive in the United States early in September for an informal visit of approximately 1 month's duration.

His Imperial Highness will be the guest of the U.S. Government during the several days that he will be in the Nation's Capital.

During his tour of the United States, Crown Prince Akihito will visit a number of historical, educational, and scientific centers, to familiarize himself with American life and customs.

The visit of His Imperial Highness will be a welcome opportunity to demonstrate the friendly relationship between Japan and the United States.

The Dollar-Sterling Relationship and its Effect on U. S Foreign Economic Policy

REPORT OF THE DOUGLAS MISSION

White House Office press release dated August 24

*The President on August 24 made public the following correspondence in connection with the report of the Lewis W. Douglas Mission, following up the financial and economic conversations held between representatives of the United States and the United Kingdom at Washington last March:*¹

THE PRESIDENT TO CLARENCE RANDALL

DEAR MR. RANDALL: I am transmitting herewith the report of the Lewis Douglas mission following up the financial and economic conversations held between representatives of the United Kingdom and of our Government in Washington last March.

The analysis and findings of the Douglas report represent, in my opinion, a real contribution to thinking in the field of dollar-sterling relationships. I commend the report to the earnest attention of you and your associates as you undertake your canvass of the whole broad field of foreign economic policy.

Sincerely,

DWIGHT D. EISENHOWER

Honorable CLARENCE RANDALL, *Chairman*
Commission on Foreign Economic Policy
Washington, D. C.

THE PRESIDENT TO MR. DOUGLAS

JULY 21, 1953

DEAR LEW: The report of your mission following up the financial and economic discussions held in Washington last March between representatives of the United Kingdom and the United States is here and I have now had a chance to read it carefully. It is clearly the product of your own studi-

¹ For text of the communique issued on Mar. 7 at the conclusion of the conversations, see BULLETIN of Mar. 16, 1953, p. 395.

August 31, 1953

ous attitude and your great understanding of dollar-sterling relationships.

Your study strikes me as a most valuable contribution toward illuminating the still dark corners of this highly significant matter. It has in it a vein of candor, both with respect to the United Kingdom's position and our own, which is, I think, refreshing and very useful. I plan to transmit for study a copy of this report to the head of each department and agency of the Executive Branch concerned with foreign economic policy. It is my intention to release the report when I forward it to the Chairman of the Commission on Foreign Economic Policy upon its formation in the near future. I regard your study as an important document for the consideration of that Commission.

In accepting this report and releasing you from the assignment you undertook in my name and as the Secretary of State's deputy, I want you to know of my genuine gratitude for this new chapter in your long record of dedicated public service. Please convey my thanks also to those who assisted you in this useful contribution to one of the perplexing problems of our time.

With warm regard,

Sincerely,

DWIGHT D. EISENHOWER

Honorable LEWIS W. DOUGLAS
Southern Arizona Bank and Trust Building
Tucson, Arizona

MR. DOUGLAS TO THE PRESIDENT

JULY 14, 1953

DEAR MR. PRESIDENT: It has become increasingly apparent that the long continued unbalance between the dollar and most other currencies reflects serious maladjustments in world trade which cannot be permanently and satisfactorily corrected by the supply of American governmental dollars, or by governmental restrictions and limi-

tations imposed on the convertibility of currencies and the flow of international commerce, especially the flow of American goods into foreign markets. In recognition of the importance of these issues, a conference of Commonwealth Prime Ministers was held in London during last November and December. It unanimously agreed that the solution should be sought through progressively freer trade and convertibility of currencies and designated the United Kingdom as the spokesman for the Commonwealth in the discussions of the problem with other governments.²

Against this background arrangements were made for Mr. Eden's and Mr. Butler's visit to Washington in the early part of March, and it was to participate in the financial and economic discussions which it was known would take place during their visit that Mr. Dulles, in your name and on his own behalf, requested that I come to Washington, temporarily, to act as his deputy.

At the Washington meetings there was a full opportunity for an exposition of the views developed at the Commonwealth Conference and for discussion of measures that might be taken to effect a further liberation of trade and currencies from some of the existing restrictions and limitations. And on the British side the view was expressed that correction of conditions internal to the United Kingdom and the Commonwealth was essential to the re-establishment of international economic health. At the close of the Washington conference with the British Ministers, it was agreed that both governments would give further consideration to and undertake a study of the problems which had been raised in order that each might have a clearer judgment of the steps that each might take in the direction of our common goal.

Toward the end of March, at your request and with the approval of Mr. Humphrey and Mr. Stassen, Mr. Dulles asked me to continue to serve as his deputy for the purpose of studying and considering the economic and financial problems that had been discussed with Mr. Eden and Mr. Butler.

This letter records my views, condensed as much as possible, on the questions of trade and currency, particularly as they are related to sterling, which I was asked to examine. This assignment necessarily entailed conversations with officials of our own Government, and it suggested using my trip to London in May as a convenient occasion for many private and informal discussions with Mr. Butler, other members of the British Cabinet, and various people drawn from all walks of life.

The national interests of the United States are deeply affected by the status of sterling and the financial strength of the sterling area. The sterling area embraces all of the members of the Commonwealth (excepting Canada) the United Kingdom, the Crown Colonies, the Republic of Eire and a number of other countries. It is, there-

fore, not synonymous with the Commonwealth and the Empire. There are, however, political affiliations and emotional ties between all the members of the Commonwealth and the Empire on the one hand, and sterling as a currency on the other. Within the sterling area sterling is the monetary medium through which all financial and commercial transactions are cleared, and through which financial and commercial affairs with other currency areas are transacted. The common gold and dollar reserves for the entire area are held in London which is the center of an intricate network of associations between banking and trading houses throughout the whole sterling territory and the Commonwealth. In spite of its present limitations, a larger part of world trade is conducted in sterling than in any other currency.

Because sterling is a world currency, its fuller convertibility is essential to the restoration of economic freedom in large parts of the world. Other currencies may become convertible, but, in the absence of convertibility of sterling, the influence on the international economic environment will be limited. The convertibility of sterling, on the other hand, would have favorable and marked effects on the international economic environment, even in the absence of convertibility of other currencies. Accordingly, as sterling becomes more and more freely transferable into other currencies, particularly into the dollar, the economic choices which individuals enjoy become greater, the dominion of competition and of individual initiative becomes larger and the area of economic freedom expands. It is doubtful whether the world can recover a high degree of economic freedom or whether American exports—so important to large segments of our country—can enter foreign markets without benefit of continued American subsidies and subsidies, unless sterling makes further progress toward its own emancipation. If further progress is not made toward the removal of restrictions on trade and a more unfettered exchange of currencies, it is quite likely that, despite any international political institutions that have been erected or that may be erected in the future, the unity of the free world will remain precarious and fragile. On these points American national interests are vitally concerned.

In order to identify the nature of the fundamental problem of the convertibility of sterling, it may be helpful to state the historical fact that sterling has been under pressure since the close of World War I. This suggests that, though aggravated by wars, the reasons for its difficulties are old and deep-seated, and that if cures are to be successful, they should be designed to correct the underlying causes.

The following are among the major causes of the unbalance between sterling and the dollar:

1. The weakening of U.K. competitive power resulting from the existence of sellers' market con-

² For text of the communique on the Commonwealth Economic Conference, see *ibid.*, p. 397.

ditions and opportunities for protected trade financed by repayment of sterling debt, and also from inflexibility in costs and immobility of resources;

2. the change in the pattern and composition of the foreign trade of the United Kingdom;

3. the change in the U.K.'s position from the world's biggest creditor to the world's biggest debtor;

4. the greatly increased resources, internal and external, which the United Kingdom has had to devote to defense and overseas commitments generally;

5. the inability of the United Kingdom to devote adequate resources to industrial investment because of the burden of defense and indebtedness and the worsened terms of trade with which were associated a high level of total Government expenditure, a protracted burden of heavy taxation and a prolonged shortage of private savings;

6. the worsening of the climate for private international investment generally;

7. the fluctuation in volume of purchases by business communities of the main exportable commodities of the sterling area, and the resulting movements in price which have often been aggravated by contemporaneous and similar fluctuations in the volume of purchases by governments;

8. the maintenance by the United States of trade policies which were more appropriate to a debtor than to a creditor country; the persistent and stubborn maintenance by us of the policy of protecting the American market and subsidizing American services which foreign enterprise can more effectively and cheaply render.

A review of these causes makes it crystal clear that monetary measures alone cannot produce the solution that is needed to neutralize the increasingly persistent tendency of the U.S. payment position to be in surplus with the rest of the world.

This analysis of the sources of the pressures on sterling indicates that its position may now be too sensitively balanced to submit it to the strains and stresses of free convertibility before a number of conditions have been fulfilled. It would be unfortunate to run any risk of repeating the ill-timed and ill-fated experiment in convertibility which was undertaken, at our insistence, in 1947. Since the sterling crisis in 1951, in spite of abnormal introduction by our government of dollars in support of commerce, a recent favorable turn in the terms of trade, and retention of many restrictions of the use of sterling for the purchase of goods produced outside of the sterling area, the increase of British gold and dollar reserves, welcome though it is, must be regarded as modest. What the full force of German and Japanese competition may be is as yet unknown and, besides, sterling's gold and dollar reserves may be required to carry an additional burden next year should the

cost of maintaining troops in Germany be borne by the British Government. Moreover our policy in regard to relaxation of our own restrictions on trade—so important and vital to the freer movement of currencies—has not yet been made sufficiently clear. Under these circumstances, an extension of the liberty with which sterling can be converted into other currencies would now seem to be doubtful.

The British Government has wisely concluded that factors internal to the Commonwealth and the United Kingdom itself must be dealt with as prerequisites to a freer movement of international trade and currencies, and has accordingly taken noteworthy steps to this end. It has inaugurated a program which is designed to foster the formation of private capital and the restoration of enterprise, and to encourage a resurgence of individual initiative. It has pursued monetary and credit policies aimed at control of domestic inflationary pressures and a return to a freer money market. It has made a new approach toward its budgetary problems. It has initiated modest reductions in taxes to stimulate the accumulation of venture capital. It has largely removed the subsidies on food. It has derationed many articles of consumption and manufacture which were formerly, by Government dicta, distributed in restricted amounts. It has reopened many commodity markets and has announced the future opening of others. It has denationalized one of the industries which had been nationalized, and is completing the process of denationalizing another. It has removed some of the restrictions which formerly existed on the flow of trade. It has attempted to provide leadership in reestablishing sound principles of monetary control throughout the sterling area. All these policies allow the British people to become acquainted once more with the benefits of economic freedom, and constitute a significant record of achievements. But more remains to be done if sterling is to acquire sufficient strength and resilience to stand the rigorous test of convertibility.

It is for the British Government to devise its own further corrective measures.

It is for us as soon as possible to commence to remove from our own policies the impediments to freer trade and currencies.

For thirty years the barriers that we have erected against imports into the United States have been incompatible with and have operated against the reestablishment of international economic and financial health and equilibrium. Long ago we became the world's greatest creditor. We can no longer pursue the protectionist policies of a debtor nation and hope to escape from government intervention, restrictionism, state planning and discrimination against American products in the international markets. It may be that a liberalization of our restrictive protectionist policy in and of itself will not produce easily or in short order, a financial balance between the dollar and

sterling but it would contribute substantially to the creation of an environment of world trade in which convertibility, at the appropriate time, could be safely considered with confidence that it would endure.

Under the most favorable circumstances time would be required to pass legislation aimed at establishing a freer American trade policy. It would be unfortunate, however, for our national interests if, because of delay on our part, the progress toward economic liberty that has thus far been made should be arrested, the enthusiasm should cool off, and the impetus toward freedom should falter. It would be even more unfortunate for our national interests if the government of the United Kingdom and other Commonwealth Governments were forced back into sweeping restrictions and controls. A retreat to this widespread restrictionist type of government intervention from such freedom as has so far been successfully restored might be regarded as the failure, possibly the final failure, of an economic system of which the market place is the central feature. As a means of encouraging further advances in the direction of economic liberty, sustaining the enthusiasm for, and maintaining the impetus toward an enlarged volume of commerce, the United States Government, during the interval in which legislation is being awaited, could do nothing more helpful, or indeed more urgently required, than to make a prompt announcement that it is the determined policy of this country to work toward simplification of our custom practices and a progressive, vigorous and consistent relaxation of our restrictive foreign trade legislation.

Another contribution to basic solutions would be an increase in private investment of dollars in foreign countries. This, however, is not likely to occur in adequate amounts in the immediate future. With the exception of the development of petroleum reserves and mineral deposits elsewhere, the opportunities for profitable employment of capital on this continent are too numerous and great to induce any large outflow on private account into enterprise overseas. In many cases the earnings of overseas ventures are subject to double taxation and American investments are submitted to subtle discriminations. Moreover, the political risks of expropriation, the economic hazards of exchange transferability and the difficulties of converting earnings into dollars are real impediments to the foreign investment of American venture capital. Some of these impediments can readily be removed; others, it is to be hoped, will in time be progressively diminished until they disappear. In the immediate future, however, it may be more practicable to focus our ingenuity on valid devices which might provide a reasonable transition from a period in which American dollars, through public agencies have been invested overseas and the

period when the flow of private capital becomes adequate. To this end, a combination of agencies of governments working in association with private management and capital might perform a highly useful service.

The International Bank, for example, provides a method by which an environment favorable to private investment can be created. The provisions of the indenture of an International Bank loan, more than the amount of credit which it extends, can define the terms upon which investments of private funds might be made with reasonable immunity against most of the political hazards.

On the British side, the Commonwealth Development Corporation has been established with headquarters in London and may well afford a vehicle for the investment of American dollars in association with sterling within the sterling area.

Still another device which may merit exploration is the participation of American banking houses in sterling loans made by London banks with some sort of British guaranty of a rate of exchange and an Export-Import Bank guarantee of the transferability of the participating dollars. Such a device—a combination of guaranty as to rate and transferability—might apply generally to all dollar investments made in the United Kingdom or in other parts of the sterling area.

Finally, in addition to the questions of trade and investment policies already reviewed, we should seek to develop measures to abate the violent fluctuations in the prices and the volume of the major raw materials that enter into international trade. This single phenomenon of the post war period has produced strikingly adverse effects upon the trade of the United Kingdom, the sterling area, and Western Europe. Without recommending intergovernmental commodity agreements, the history shows that this is a problem that deserves more study. One important approach might be to develop coordination between governments so that purchases by public agencies may be diminished when the business community is building up inventory and increased when the business community is liquidating inventory, thereby using government purchases, to the extent they are necessary for other reasons, for the purpose of mitigating the effect of the cyclical movements in these critical materials.

This report has dealt with the progress which the British Government has made toward resolving many of the causes of the unbalance between the dollar and sterling and it has defined the issues which we, on our side, must face if we are to enjoy the fruits of an enlarged volume of trade, more

Correction

BULLETIN of July 13, 1953, p. 51, footnote 2: The date of transmittal should be June 18.

stable currencies, and an expanded area of economic freedom.

My own sense of urgency and the need for prompt action is reflected in the brief time that has elapsed since I was asked to undertake this inquiry and the completion of my report. Time, I believe, is of the essence.

This letter, therefore, concludes my assignment.

But before signing off, I should like to express my thanks to the members of the White House staff; to the Secretary of the Treasury, Mr. Humphrey, and the Treasury officials; to Mr. Stassen and his associates in the Mutual Security Agency; to Mr. Martin and the officers of the Federal Reserve Board and Banks; to Mr. Dulles and the economic officials of the State Department for their singularly helpful cooperation and assistance. Also, I would like to acknowledge especially the wise counsel and almost continuous help I have received from Professor John Williams and Dr. Walter Stewart.

Very truly yours,

LEWIS W. DOUGLAS

THE PRESIDENT
The White House
Washington, D. C.

Establishment of Commission on Foreign Economic Policy

The President on August 14 appointed Clarence B. Randall, chairman of the board of the Inland Steel Company, as chairman of the Commission on Foreign Economic Policy.¹ On August 22 he made the following additional appointment to the Commission: John Hay Whitney, Jesse W. Tapp, David J. McDonald, Cola G. Parker, John H. Williams, and Lamar Fleming, Jr.

The Vice President has appointed the following members of the Senate to the Commission: Eugene D. Millikin, Bourke B. Hickenlooper, Prescott Bush, Walter F. George, and Harry F. Byrd. The Speaker of the House of Representatives has appointed the following: Daniel A. Reed, Richard M. Simpson, John M. Vorys, Jere Cooper, and James P. Richards.

Following are the sections of Public Law 215, 83d Congress, which relate to the duties and powers of the Commission:

SEC. 308. REPORT—EXPIRATION OF THE COMMISSION.

(a) REPORT.—Within sixty days after the second regular session of the Eighty-third Congress is convened, the Commission shall make a report of its findings and recommendations to the President and to the Congress.

(b) EXPIRATION OF THE COMMISSION.—Ninety days after

¹ For text of the statement made by the President on August 7, when he signed the act establishing the Commission, see BULLETIN of Aug. 17, 1953, p. 202.

the submission to the Congress of the report provided for in subsection (a) of this section, the Commission shall cease to exist.

SEC. 309. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission is directed to examine, study, and report on the subjects of international trade and its enlargement consistent with a sound domestic economy, our foreign economic policy, and the trade aspects of our national security and total foreign policy; and to recommend appropriate policies, measures, and practices.

(b) CERTAIN OF THE MATTERS TO BE CONSIDERED AND REPORTED ON.—Without limiting the general scope of the direction to the Commission contained in subsection (a), the Commission shall consider, and shall report on, the following matters:

(1) (A) Applicable provisions of the Constitution of the United States;

(B) Laws, regulations, and practices of the United States relating to international trade, including such matters as tariffs, customs, customs administration, trade agreements, peril point and escape procedures, opinions and decisions thereon of the United States Tariff Commission and the President, import and export quotas, monetary licenses, countervailing duties, and procurement preferences;

(C) Departments, agencies, boards, commissions, bureaus, and other instrumentalities of the United States having jurisdiction over, or dealing with, these matters;

(D) Laws, regulations, and practices and official instrumentalities of other nations concerned with similar subject matters;

(E) Pertinent statistics on international trade; and

(F) Balance of payments, nation by nation; and the causes and effects of, and proposed remedies for, excessive imbalances.

(2) Relationship of our foreign economic policies to, and their influences on, our total foreign policy; and the proper relationship of each to the other.

(3) Effect of our foreign aid and military defense programs on international trade and international balance of payments.

(4) Foreign markets of trading nations—extent and nature; and the effect thereon of wars, other emergencies, technological advances, international relations, and other pertinent factors.

(5) International instrumentalities, organizations, and agreements and practices affecting trade, such as the General Agreement on Tariffs and Trade, Customs Unions, Organization for European Economic Cooperation, International Wheat Agreement, cartels, European Payments Union, European Coal and Steel Community, and International Monetary Fund.

(6) Foreign investment capital and the flow of investment capital between nations—need thereof—restrictions thereon—inducements necessary to encourage—role of the Export-Import Bank and of the International Bank for Reconstruction and Development.

(7) Effects on international trade of factors such as costs of production and pricing, labor practices and standards, general living standards, currency manipulation, inconvertible currencies, official inflationary policies, currency devaluations, exchange controls and licenses, quotas, embargoes, dumping and pricing practices, multiple currencies, bilateral trade agreements, barter arrangements, customs procedures, marking and transit problems, concealed regulation of exports and imports, preferential tariff systems, most-favored nation treatment, government monopolies, state-controlled economies, state trading, and state-subsidized trading.

(8) Effect of existing and proposed trade policies on the promotion of peace and security and the betterment of political, social, and economic life, domestic and foreign.

SEC. 310. POWERS OF THE COMMISSION.

(a) **HEARINGS AND SESSIONS.**—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, shall have power to hold hearings and to sit and act at such times and places, within the United States or elsewhere, to take such testimony, and to make such lawful expenditures, as the Commission or such subcommittee or member may deem advisable.

(b) **OBTAINING OFFICIAL DATA.**—The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this title; and each such department, agency, and instrumentality is authorized to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman.

Cooperating To Ease Middle East's Tensions

by *Francis H. Russell*
*Counselor, U.S. Embassy in Israel*¹

The challenges of totalitarianism in our time have been forcing free men to define and sharpen their goals. Perhaps only twice before in our history, at the time of the Revolution and again during Lincoln's presidency, have Americans thought with such thoroughness about the things they live by.

It is safe to say that a great majority of Americans have arrived at a conviction that democracy and the concept that "all men are created equal" are essentially spiritual concepts, and that the inclusion of such a phrase in a document like the Declaration of Independence is a demonstration of the inseparability of politics from things of the spirit; that it is only from a deep religious sense that there flow the respect for human life, the devotion to duty, the understanding, the sympathy, the warmth, the tolerance, the forbearance, the humility that comes from self-esteem which underlie the political and economic life of a democracy, that permeate its daily pattern of living—and without which none of the formal institutions of society, no matter how theoretically perfect, can long function effectively.

We hear sometimes about the need of a modern "dynamic." If there is any force from the beginning of recorded time to the present moment that is entitled to be characterized as "dynamic," it is this progress toward a society that will enable every individual to fulfill his innermost needs. The "dynamics" today are in the countless places where this democratic process is at work and on the fronts where it is embattled.

Two months ago President Eisenhower affirmed: "... the hope of free men remains stubborn and brave. . . ."² The way the

American people propose to follow today is one of allowing "all nations to devote their energies and resources to the great and good tasks of . . . perfecting a just political life, of enjoying the fruits of their own free toil. . . ." And he added, "If we failed to strive to seize this chance, the judgment of future ages would be harsh and just."

It matters little whether the Communist high command in its recent activities has been carrying out one of the strategic zigzags that Lenin enjoined upon it whenever it should meet firm opposition in its international ventures; or whether, as others maintain, communism is confronted today with a delayed but inevitable operation among its people of the laws of human nature and man's need for freedom. In any event there can be no doubt about the interrelation of the firmness of the free world and the rising hopes of the oppressed. Soviet communism's goal, however, remains the same, and as long as it possesses the total weapons modern science has created against the body and the mind, we are faced with total danger at the hands of a totalitarian movement which denies the premises of democratic life.

One of the elements of our danger is that the countries of the free world may tend to view the world issue each from its own immediate concerns, and to pursue policies which are designed to protect only those limited interests. There may be those who would see the peril solely in terms of the threat to a particular economic pattern, or religion, or political system. That way lies danger. It is of the first importance that none of us view the issue exclusively in our own terms, important as they may be. We must have always in mind the common goal and the requirements to achieve it.

In 1776 the problem for the United States in

¹Excerpts from an address made before the Israel-America Friendship League at Tel Aviv on July 8.

²BULLETIN of Apr. 27, 1953, p. 599.

working toward the ideal of a way of life that would be in accord with man's moral instinct was predominantly one of achieving it for the peoples who lived along the Atlantic seaboard. Today the 3 million people have been augmented to a country of 160 million whose forebears came from every quarter of the world. They have been blessed with natural resources and have built a nation rich in productive power. The problem in our time of moving toward these ideals, for us as for all peoples, is not only one of promoting them at home but how best to cooperate in furthering them in the world. Science has propelled us into the necessity for a more rationally integrated world, a many in one, where men rub shoulders good-naturedly with those whose cultures and shibboleths are different from their own.

U.S. Interest in Middle East

There is no part of the world where the needs and the opportunities of making progress toward these goals are greater than here in the Middle East. The interest of the United States in helping to bring about this progress was highlighted in the recent visit of Secretary Dulles.³

As the U.S. Government is, first and foremost, interested in establishing a peace in which all peoples everywhere can live useful and satisfying lives in harmony with their neighbors, it is naturally concerned at situations anywhere which have elements of strife. One problem of this kind is the relations between Israel and the Arab States—and the relation of the United States to the area which includes all of them. In dealing with a problem so charged with emotion, it is to be expected that the positions which any country, so motivated, may take will at times be criticized by both sides to the dispute. So it must be made plain beyond question that in this struggle American policy does not favor one side over the other. It does not favor the Arabs over Israel, just as it does not favor Israel over the Arabs.

The United States believes that the State of Israel is legally and permanently established. It has constituted a haven for some of those who have known the harsh burden of totalitarianism. The United States is proud to have aided in this and wishes for Israel a happy and productive life.

We are equally convinced that Israel's neighbors have the capabilities and resources for an enduring and progressively profitable existence for their people, and our goal is no less to cooperate in making it a reality.

Now, if the assumptions underlying these purposes are correct, the continuing drain on the emotional and physical resources of both sides in the present struggle is a tragic and unnecessary waste.

³ For the Secretary's report to the Nation on his visit, see *ibid.*, June 15, 1953, p. 831.

Above and beyond the always existing evils in any enmity between neighbors is the present threat of the imperialistic movement whose major aim is the spreading throughout the world of a system where power flows down from the state, not up from the people; where human beings are pawns and cogs to serve the regime. America has been criticized by some as overemphasizing the dangers of this Communist-imperialistic approach to human existence, but we have only to view what has happened since the last World War to confirm our deepest suspicion. If this way of life should prevail, all of us—including Israel and the Arab nations—would find that the problems which we may today consider more immediate, were of mere academic interest.

To none of us can expansionist communism be a remote problem, however far it may be anchored from our shores and boundaries. It is insidious. It is engaged in poisoning the bloodstream of civilization wherever it can. And as this evil breeds on discord, it follows that it is more important than ever that free nations engage in healing wounds, both old and new.

It is for these reasons that the United States, not only through its own efforts but through the channels of the United Nations, has continuously held to a policy of finding means whereby Israel may live in peace with her neighbors. It has never ceased to be convinced that the means to this end can be found. This policy and this belief will continue.

Concrete Expressions of Good Will Needed

But mutual distrust cannot be wiped away by the hope of outside nations. Only by concrete and constant expressions of good will and understanding by the parties directly involved can a progressive and peaceful neighborhood of friends be created. Since friendly neighbors are the reward that comes from "doing all that may achieve a just and lasting peace," every act and every word must be tested by whether it helps to create these positive relationships.

There is, as I have said, a deep reservoir of friendship between the peoples of America and Israel, and Israel can be assured of warm support from the United States as she bends her efforts in cooperation with the Arab nations to solve this problem.

The essential question of our day perhaps is whether the free world is merely to go down in history as a 24th or 25th in the list of civilizations which Arnold Toynbee has identified; or whether mankind has the genius to combine the spiritual insights of the ages, the approach of reason and moderation, the sense of law and order, the passion for freedom coupled with self-restraint to move onto a plane of ordered progress.

In a speech which he gave in the United States

in 1947, your late President Weizmann put it this way:

The question before us is whether man is the victim of circumstances or whether he can become the maker of his own destiny. . . . Nations like individuals impress themselves upon the world in two ways: by what they do and what they are. . . . The drama of Napoleon's near conquest of Europe is superficially more impressive than the quiet moral picture of the soul of Abraham Lincoln, but Lincoln's character has produced more lasting as well as more beneficent effects than Napoleon's achievements. . . . To be that which is right must be our all-in-all . . . , to assume that the affirmations of mankind will triumph over its negations.

Making firm our security against the darkness and ruthlessness of the total state, we must continue to cultivate intensively the arts of peace which are essentially spiritual in their nature and more difficult than the arts of war. The price of liberty is high, and so is the price of peace. But "what we seek is not too hard for us; neither is it far off. It is very near. It is in our hearts and we can do it."

Austrian Treaty Deputies' Meeting Proposed

Press release 444 dated August 17

Following is the text of a note which the U.S. Embassy at Moscow delivered to the Soviet Foreign Office on August 17; the British and French Governments sent similar notes. Also printed is the text of a Soviet note dated July 30:

U.S. Note of August 17

The United States Government has examined with care the note of July 30 in which the Soviet Government indicated that it was prepared to resume discussion of a treaty for Austria if the "abbreviated treaty" were withdrawn from consideration.

In their notes of June 11¹ the Governments of the United Kingdom, the United States and France stated clearly, as they had already done on a number of previous occasions, that they were prepared to accept any treaty which would insure Austria's political and economic independence and requested the Soviet Government to inform them of the exact text of the treaty which the Soviet Government was prepared to conclude. The Soviet Government has not responded to this request. Furthermore the Soviet Government declined to attend the meeting of the Austrian Treaty Deputies called for May 27, in London.

The United States Government suggested in its note of July 15² that the Austrian treaty should

be discussed at the meeting of the four Foreign Ministers. But in view of the Soviet Government's note of July 30, and so as to conclude an Austrian treaty as soon as possible, the United States Government proposes that the Treaty Deputies be convened in London on August 31, 1953, in order to discharge their obligation to report on this matter to the Foreign Ministers. On the understanding that there will be no extraneous issues raised and that the Soviet Government is prepared to conclude a treaty for Austria which will insure Austria's political and economic independence, the United States Government undertakes not to introduce for consideration the abbreviated treaty. In making this proposal the United States Government assumes that the Soviet Government will be prepared in fact promptly to conclude an Austrian treaty and accordingly that the reference to a relationship between a German peace settlement and an Austrian treaty in the final paragraph of the Soviet Government's note of August 4³ should not be construed as deferring any hope of an Austrian treaty until other unrelated conditions are met.

Soviet Note of July 30

[Unofficial translation]

The Ministry of Foreign Affairs of the U.S.S.R., acknowledging receipt of the United States Government's note of June 11 of this year regarding an Austrian state treaty, considers it necessary to state the following:

From this note it is evident that the Government of the United States of America as well as the Governments of England and France are continuing as before to adhere to the draft of the so-called "short treaty" put forth by them on March 13, 1952.⁴ However, this draft, as the Soviet Government has already stated more than once, is not in accordance with the Potsdam decisions of the Four Powers regarding Austria, contradicts decisions on important political and economic questions regarding Austria which were agreed upon at the Paris session of the Ministers of Foreign Affairs of the United States of America, England, France and the U.S.S.R. in June of 1949, grossly infringes on the interests of the Soviet Union, and cannot contribute to reestablishment of a really independent and democratic Austrian state. The Governments of the United States of America, England and France worked out this draft "short treaty" without the partic-

¹ This paragraph reads:

"As regards the Austrian treaty, the position of the Soviet Government on this question is set forth in its notes of July 30 sent to the Governments of the U.S.A., England and France. It goes without saying that possible successes in the settlement of the German problem could also contribute to the decision of the Austrian treaty as well."

⁴ BULLETIN of Mar. 25, 1952, p. 449.

¹ BULLETIN of June 22, 1953, p. 873.

² *Ibid.*, July 27, 1953, p. 107.

ipation of the U.S.S.R. and presented it in place of the draft state treaty agreed upon in essence between the Four Powers which was jointly prepared by the Four Powers on the basis of the above quadrilateral decisions regarding Austria.

The Soviet Government, in its notes of August 14,⁵ September 27, 1952⁶ and January 27⁷ of this year expressing readiness to complete preparation of a draft Austrian state treaty, considered it necessary to clarify in preliminary fashion whether the Governments of the United States of America, England and France are ready to withdraw their proposal of so-called "short treaty" for Austria. However, the Soviet Government has received no answer from the Government of the United States of America or from the Governments of England and France regarding agreement to withdraw from consideration the draft short treaty.

Withdrawal from consideration of the draft short treaty, which was worked out by the Three Powers without the participation of the U.S.S.R. and intended to take the place of the draft Austrian state treaty agreed upon in its basic articles by the Four Powers, would permit the Four Powers to renew consideration of the question of the Austrian state treaty for the purpose of reaching agreement on undecided questions connected with the conclusion of this treaty.

Similar notes have also been sent to the Governments of England and France.

Department's Views on New Soviet Note

Press Officer Joseph W. Reap on August 17 made the following statement to correspondents on the subject of a note received August 15 from the U.S.S.R.:

This Soviet note, like its predecessor of August 4, was addressed not only to the United States but also to the French and British, and we shall, of course, continue the consultations with our allies which were initiated after the August 4 note. In the meantime, we have only two observations to make on this Soviet note.

The first is that, while on July 15 we put up to the Soviets a concrete proposal for a Four Power Foreign Ministers' meeting this autumn,⁸ the latest Soviet note seems to put off any kind of meeting until some time next year. We think it will be difficult for the German people to understand why the Soviets are reluctant to get on with concrete discussions regarding Germany.

The second point of interest in the Soviet note is that they set up an obstacle to the holding of all-German free elections by insisting that such

elections be subordinated to the establishment of a German provisional government in which the East German regime (discredited in the eyes of all the world, particularly by events since June 17) would be placed on an equal political and moral level with the German Federal Republic in which really free elections are shortly to be held.

Current Legislation on Foreign Policy: 83d Congress, 1st Session

Annual Report, Office of Alien Property, Department of Justice, Fiscal Year Ended June 30, 1952. H. Doc. 143, 124 pp.

The United States Constitution, Text with Analytical Index, Unratified Amendments. H. Doc. 211, 62 pp.

International Telecommunication Convention, with Annexes, and Final Protocol to the Convention, Message from the President of the United States transmitting the International Telecommunication Convention, with Annexes, and the Final Protocol to the Convention, which were signed at Buenos Aires on December 22, 1952. S. Exec. R. 75 pp.

Strengthening the Foreign Relations of the United States by Establishing a Commission on Governmental Use of International Telecommunications. H. Rept. 1049 (To accompany S. J. Res. 96), 2 pp.

Mutual Security Appropriation Bill, 1954. H. Rept. 1056. Conference Report (To accompany H.R. 6391), 8 pp.

Supplemental Appropriation Bill, 1954. H. Rept. 1075. Conference Report (To accompany H.R. 6200), 13 pp.

Trade Agreements Extension Bill of 1953. H. Rept. 1089. Conference Report (To accompany H.R. 5495), 6 pp.

Amending Section 39 of the Trading with the Enemy Act of October 6, 1917, As Amended. H. Rept. 1094. Conference Report (To accompany S. 2315), 2 pp.

The Supplemental Appropriation Bill, 1954. Hearings before the Committee on Appropriations, United States Senate, on H.R. 6200, 776 pp.

European Coal and Steel Community. Hearings Before the Committee on Foreign Relations, United States Senate. Informal meeting of the Committee with the Honorable Jean Monnet and other representatives of the High Authority of the Coal and Steel Community, June 4 and 5, 1953, 37 pp.

Amending Trading with the Enemy Act (Transfer of Funds). Hearing before the Committee on Interstate and Foreign Commerce, House of Representatives, on H.R. 4873, a bill to amend section 39 of the Trading with the Enemy Act of October 6, 1917, as amended. June 10, 1953, 57 pp.

Favoring Extension of Diplomatic Relations with the Republics of Ukraine and Byelorussia. Hearing before the Committee on Foreign Affairs, House of Representatives, before the special subcommittee on H. Con. Res. 58. July 15, 1953, 112 pp.

Wheat to Pakistan. Hearings before the Committee on Agriculture, House of Representatives, on H.R. 5659, H.R. 5660, H.R. 5661, bills to provide for the transfer of price-support wheat to Pakistan. June 15 and 16, 1953, 89 pp.

Use of Nonappropriated Funds by Executive Agencies (Bonn-Bad Godesberg Area Construction Program). Hearings before a Subcommittee of the Committee on Government Operations, House of Representatives, March 19, 20, 23, and 24, 1953, 424 pp.

Mutual Security Appropriations for 1954. Hearings before the Committee on Appropriations, United States Senate, on H.R. 6391, 924 pp.

Foreign Economic Policy. Hearings before the Subcommittee on Foreign Economic Policy of the Committee on Foreign Affairs, House of Representatives. March 12, 18; April 1, 21, 30, and May 12, 1953, 400 pp.

⁵ *Ibid.*, Sept. 1, 1952, p. 322.

⁶ Not printed.

⁷ BULLETIN of Feb. 16, 1953, p. 260.

⁸ BULLETIN of July 27, 1953, p. 107.

General Assembly Reconvenes To Discuss Korea

The Seventh General Assembly, which recessed on April 23, reconvened at United Nations Headquarters in New York on August 17 to resume consideration of the Korean question. In a brief plenary meeting, the Assembly voted to refer the question to Committee I, which opened general debate on August 18. Printed below are three statements made in Committee I by Ambassador Henry Cabot Lodge, Jr., U.S. representative to the General Assembly, and texts of draft resolutions cosponsored by the United States.

OPENING STATEMENT BY AMBASSADOR LODGE

U.S./U.N. press release dated August 18

We of the United Nations face a new challenge today. Instead of being preoccupied with the stark duty of devising methods to repel aggression, we meet this morning knowing that aggression has been repelled and that the aggressors have been thrown back beyond the point from which they started. We face something equally historic but infinitely more cheering—the fact of an actual armistice.

It is our job here to do whatever we can to make the armistice stick—to show a statesmanship worthy of the bravery of our troops. We face today the specific task of making our recommendations for the political conference. In doing so we base ourselves on the armistice agreement which provides in paragraph 60:

In order to insure the peaceful settlement of the Korean question, the military commanders of both sides hereby recommend to the governments of the countries concerned on both sides that, within three (3) months after the armistice agreement is signed and becomes effective, a political conference of a higher level of both sides be held by representatives appointed respectively to settle through negotiation the questions of the withdrawal of all foreign forces from Korea, the peaceful settlement of the Korean question, etc.

The United States has adhered to paragraph 60, with its concept of two sides, because it is one of the few definite things in this whole picture. We have paid a high price in human suffering and death to get an armistice agreement. It has taken 2 years of negotiations at Panmunjom. Paragraph 60 in particular is the only thing in regard to a political conference to which both sides have agreed. We ignore it and depart from it at our peril. If there is a desire for agreement, a conference of both sides can reach agreement as readily as any other arrangement.

The resolution which we are sponsoring [U.N.

doc. A/L.151/Rev. 1] provides that each government will be bound only by its own vote, which means that if two nations agree, their agreement will apply so far as they are concerned. This seems the best way to get results. Certainly a large conference attended by many nations in which unanimity on all decisions is required would be a sure way not to get results.

The resolution which we and 14 other governments who contributed forces to the U.N. action in Korea are sponsoring makes recommendations concerning our side and it says in effect that, in addition to the Republic of Korea any nation which contributed forces to the U.N. action in Korea has earned the right to attend the conference if it desires to go.

Our resolution does not deal with the participants on the other side. Paragraph 60 itself contemplates certain parties to represent the other side. If, in addition, the other side wishes to have another country, such as the U.S.S.R., participate on its side, the United States has no objection. I reserve the right to speak to this point again later in the debates.

Similarly, our resolution makes no provision for participation by other U.N. members who could not properly come in on either of the two sides contemplated by paragraph 60. There are a number of States which have a general interest in the area, and indeed, all the U.N. members have an interest in peace. But none of these has any greater interest in Korea, which is the subject of the conference, than several others. If we are to invite any other nation to participate, there can logically be no reason why other countries, neighbors of Korea with direct interest in the area, should not also be invited. Where would we stop? And how could the conference get anywhere?

On the scope of the conference also we believe paragraph 60 should be followed; the details can be worked out at the conference itself. The United States of America favors a conference which con-

centrates on Korea and believes that the objective of the conference must be a unified, independent, and democratic Korea—and the resolution so provides.

If the discussions should develop in such a way, for example, as to lay helpful foundations for future discussions on other subjects in the Far East or elsewhere, we shall be pleased, but in our opinion this may well call for another conference with different participants.

In this troubled world we must take one thing at a time. The Korean tragedy is a gaping wound in the flesh of the world. If we can bind up that wound we will be doing well. If, on the other hand, we have a conference which becomes a catch-all for every problem in the world or even every problem in the Far East, it will probably lead to little more than "sound and fury signifying nothing." It will resemble a garment which in my youth housewives used to wear while doing their housework in the morning. This garment was known as a Mother Hubbard—covering everything and touching nothing. Let us not have that kind of a conference.

The resolution contains provisions for immediate contact with the other side leading to agreement on the time and place of the conference.

It extends an offer of help from the U.N. Secretariat to the extent that they are able to offer help, though this may be limited by the fact that the Eighth General Assembly will be sitting at the same time as the Korean conference.

The resolution recommends help in the way of relief and rehabilitation to Korea.

To summarize, 15 governments who have contributed forces to the Korean action urge the adoption by the Assembly of this resolution which would make the arrangements for our side at the political conference. At the conference we will deal with the specific questions envisaged by paragraph 60, in order to advance the cause of peace in Korea. Those who go to this conference will do their best to bring about a unified, independent, and democratic Korea, the objective for which the United Nations has always stood. If the conference succeeds in this goal, the way would be open for further discussions, including, as appropriate, the calling of another conference to deal with other specified Far Eastern questions. Naturally, those countries which are particularly concerned with the issues with which that conference will deal will be expected to attend such a conference. What we decide at this time about participation in the Korean conference does not in any way determine who would participate in subsequent discussions and conferences.

In another resolution [U.N. doc. A/L.154/Rev. 1], which we hope will be passed as a fitting climax to this resumed session, we pay tribute to the bravery of our young men, we honor those who died, and we express satisfaction that this first

attempt in human history to repel aggression by collective military security under the auspices of a worldwide international organization has been successful.

Mr. President, much has happened recently to prove to the world that the United Nations is not a word but a force. Let us here today set an example of wisdom, of energy, and of efficacy to the world which is watching us to see whether we, the representatives of our respective countries, can act in our sphere with as much distinction as did our men in the mountains and rice paddies of Korea.

Mr. President, we, each of us here, do the best we can to speak for our respective countries. It is my special privilege to represent here the United States of America. In that capacity, I wish to convey to you the thought that for us the tragedy of Korea is an American tragedy. In this Korean war we have not depended on volunteers but have drafted our young men and ordered out our reserves. It has been for us a major effort and a major heartache. We have had close to 150,000 casualties of which 25,000 are deaths, and these are distributed throughout the country from one end to the other.

We think today of those who have served in the Korean war and have come home, many of them shattered in health. We think of those who are there now standing watch on the ramparts of freedom. We think, above all, of the homes in America from which a son, or a brother, or a husband has gone and who will never return. These are our thoughts at this historic moment. It is to be worthy of this sacrifice that we will devote our efforts.

SUPPLEMENTARY STATEMENT

U.S./U.N. press release dated August 18

I think it might be appropriate for me to just take 2 minutes concerning the matter of participation of the Soviet Union in the proposed political conference. The United States is perfectly prepared to have them there. Our attitude on this has been consistent and is very well known.

The Soviet Union cannot of course in our view participate in the conference on the side of those nations who contributed forces to the U.N. action; neither can it take part in the conference as a neutral. Article 60 of the armistice agreement does not contemplate the inclusion of any neutral, and if we were to have any neutrals, certainly the Soviet Union could not qualify as a neutral.

I appreciated very much the reference of the distinguished representative of New Zealand to the speech which I made here last February 25.¹ In that speech I pointed out that the Soviet Union was supporting and contributing to the aggression in Korea in 10 specific ways, and the representative

¹ BULLETIN of Mar. 9, 1953, p. 382.

of the Soviet Union a few days later admitted most of those facts.²

The matter of who participates on the other side is basically one for the other side to determine, but I did want to set down the fact that the United States is willing to have the Soviet Union there, if for no other reason than that she should bear her share of responsibility and accountability for peace.

STATEMENT OF AUGUST 19

U.S./U.N. press release dated August 19

I will only speak for a few moments. I would like to call the attention of the distinguished representative of the Soviet Union to the fact that it was his—shall I say—protégé, General Nam Il of North Korea, who insisted on paragraph 60 of the armistice agreement. And, as the eminent delegate of Australia said yesterday, General Nam Il quite specifically said that the conference should consist of North Korea and the Chinese Communist volunteers on the one hand, and the governments placing forces under the U.N. Command on the other. I shall not suggest that the representative of the Soviet Union and General Nam Il should get together and agree on their story.

Of course, if we are to talk of neighbors participating just because they are neighbors, perhaps we should not overlook the Chinese Nationalist Government—to say nothing of Japan. But the text of article 60 as originally drafted and suggested by the Communist side at Panmunjom and as accepted by the U.N. Command with some reluctance, does not talk of neighbors, as pleasant as it might be to meet with neighbors. General Nam Il, presumably with the authorization of Moscow and Peiping, wanted the conference limited to representatives of the governments of both sides. The representative of the Soviet Union defines the words “governments concerned,” which is in paragraph 60 and with which you are all familiar—he apparently defines that as including everybody. He does not say how he construes it, but that is the inference. If he thinks that the forthcoming meeting of the political conference should be another political committee such as we have here this afternoon consisting of 60 nations, why doesn't he say so?

I am a great believer in this political committee. I think it is a great institution. It serves a wonderful purpose in the world for the development of world opinion—for inspiring the confidence of the world. This committee has a tremendous part to play, but I do not believe that a political committee of 60 nations is the way to solve the specific tragedy in Korea.

Then the representative of the Soviet Union referred to speeches which the delegate of New Zealand and I made yesterday. Well, I would just

like to recall that during the month of June of this year, U.N. airmen shot down 75 MiG planes in Korea. Nobody denies that. Up to now there has been little doubt that these planes were supplied by the Soviet Union. We believe also that the excellent heavy guns which are so highly praised by our military experts and which have been used by the aggressors, and were all supplied by the Soviet Union, is something to think about in the light of his protestations today that the influence of the Soviet Union has been nothing but peaceful in the Korean war.

The representative of the Soviet Union further said that the remarks which I made last January [February] were refuted by a committee of newspapermen in 1950. Well, nobody has more respect for the press than I have, having been one myself for a long time. I hope they will not be too hard on me for questioning their capacity for passing final judgment on whether or not certain types of military equipment existed in the Korean war. But even assuming that they have that kind of technical competence, they could not in 1950 disprove the assertions made in January [February] because those assertions related to articles of military equipment which had been found in the possession of the Communist forces early in 1953 and 1952. Those included MIG-15s, IL-28s, and other types of jet aircraft.

Let me say also that Secretary Dulles has concluded no secret agreement with the President of the Republic of Korea. I was present at most of the meetings which took place in Seoul 10 days ago. Everything that he agreed to has been printed in the newspapers. And there is utterly no inconsistency between the removal of all troops from Korea and our determination to protect the little Republic of Korea from future aggression. All the troops can be removed and we can still undertake to help the Republic of Korea in the event of further aggression. There is no inconsistency there, and I am sure that the representative of the Soviet Union knows that there is no inconsistency.

I would just like to conclude by discussing this resolution which the representative of the Soviet Union introduced.³ You will notice that it is not a very democratic resolution. It sets up two classes of nations—those who will ride in the first-

² The Soviet draft (U.N. doc. A/C.1/L.48) reads:

“The General Assembly,

“Deeming it necessary to ensure the most favourable conditions for the successful work of the political conference,

“Recommends that a political conference on Korea should be convened consisting of the following members: the United States of America, the United Kingdom, France, the Union of Soviet Socialist Republics, the Chinese People's Republic, India, Poland, Sweden, Burma, the People's Democratic Republic of Korea and South Korea. It is understood that the decisions of the conference will be deemed to have been adopted if they have the consent of the parties which have signed the Armistice Agreement.”

³ *Ibid.*, Mar. 16, 1953, p. 420.

class compartment and those who will ride in the second-class compartment. In the first class are the "Chinese People's Volunteers"—I put that in quotes—the "Chinese People's Volunteers" shall, in accordance with the last sentence of this resolution, have the final say as to whether the agreement goes into effect or not. They will be in the first-class compartment. In the second-class compartment will ride the Government of the Republic of Korea, because, under the terms of this resolution, they will be bound by the terms of the decisions of this conference without their vote or consent.

This seems to me a rather callous injustice to a people which has fought so gallantly for its national existence. Under the Soviet proposal those who did the fighting apparently ought to be forgotten. Apparently those who—to paraphrase a statement by the late Will Rogers, who was a well-known American humorist—apparently those who win the war on the battlefield are, in the Soviet proposal, to lose the peace at the political conference. But the "Chinese People's Volunteers" are going to be a major factor.

Then the resolution of the Soviet Union excludes the following countries whose young men laid down their lives to repel aggression. It excludes Australia, Belgium, Canada, Colombia, Ethiopia, Greece, Luxembourg, Netherlands, New Zealand, Philippines, Thailand, Turkey, and the Union of South Africa. They are not going to be in at all. The fact that they sent some of the cream of their young manhood to fight for freedom—to die in the defense of a helpless people against aggression in the mountains and rice paddies of Korea—they don't even get a third-class ticket on Mr. Vyshinsky's train. His resolution discriminates, as a matter of fact, against nations who took part on either side of the Korean war. It discriminates even between members of the Neutral Nations Repatriation Commission. It takes some of them and not others; he even discriminates between his own satellites—Poland but not Czechoslovakia. [It takes] Sweden but not Switzerland.

No, Mr. President, this resolution is discriminatory. It is calculated to lead to disorder and not a settlement of the Korean problem.

DRAFT RESOLUTION ON IMPLEMENTATION OF ARMISTICE AGREEMENT*

U.N. doc. A/L. 151/Rev. 1
Dated Aug. 17, 1953

The General Assembly

1. NOTES WITH APPROVAL the Armistice Agreement concluded in Korea on 27 July 1953, the fact that the fighting has ceased, and that a major step has thus been taken towards the full restoration of international peace and security in the area;

* Cosponsored by Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, Netherlands, New Zealand, Philippines, Thailand, Turkey, U.K., and U.S.

2. REAFFIRMS that the objectives of the United Nations remain the achievement by peaceful means of a unified, independent and democratic Korea under a representative form of government and the full restoration of international peace and security in the area;

3. NOTES the recommendation contained in the Armistice Agreement that "In order to insure the peaceful settlement of the Korean question, the military Commanders of both sides hereby recommend to the Governments of the countries concerned on both sides, that, within three (3) months after the Armistice Agreement is signed and becomes effective, a political conference of a higher level of both sides be held by representatives appointed respectively to settle through negotiation the questions of the withdrawal of all foreign forces from Korea, the peaceful settlement of the Korean question, etc.";

4. WELCOMES the holding of such a conference;

5. RECOMMENDS that:

(a) The side contributing armed forces under the Unified Command in Korea shall have as participants in the conference those among the Member States contributing armed forces which desire to be represented, together with the Republic of Korea. The participating Governments shall act independently at the conference with full freedom of action and shall be bound only by decisions or agreements to which they adhere;

(b) The United States Government, after consultation with the other participating countries referred to in paragraph (a) above, shall arrange with the other side for the political conference to be held as soon as possible, but not later than 28 October, 1953, at a place and on a date satisfactory to both sides;

(c) The Secretary-General of the United Nations shall, if this is agreeable to both sides, provide the political conference with such services and facilities as may be feasible;

(d) The Member States participating pursuant to paragraph (a) shall inform the United Nations when agreement is reached at the conference and keep the United Nations informed at other appropriate times;

6. REAFFIRMS its intention to carry out its programme for relief and rehabilitation in Korea, and appeals to all Member Governments to contribute to this task.

DRAFT RESOLUTION ON KOREAN ARMISTICE*

U.N. doc. A/L. 154/Rev. 1
Dated Aug. 17, 1953

The General Assembly,

RECALLING the resolutions of the Security Council of 25 June, 27 June, and 7 July 1950, and the resolutions of the General Assembly of 7 October 1950, 1 December 1950, 1 February 1951, 18 May 1951, and 3 December 1952,

HAVING RECEIVED the report of the Unified Command dated 7 August 1953,

NOTING WITH PROFOUND SATISFACTION that fighting has now ceased in Korea on the basis of an honourable armistice,

(i) SALUTES the heroic soldiers of the Republic of Korea and of all those countries which sent armed forces to her assistance;

(ii) PAYS tribute to all those who died in resisting aggression and thus in upholding the cause of freedom and peace;

(iii) EXPRESSES ITS SATISFACTION that the first efforts under the auspices of the United Nations to repel armed aggression by collective military measures has been successful, and expresses its firm conviction that this proof of the effectiveness of collective security under the United Nations Charter will contribute to the maintenance of international peace and security.

* Cosponsored by Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, Netherlands, New Zealand, Philippines, Thailand, Turkey, U.K., and U.S.

The United Nations Children's Fund: Symbol of Free World Cooperation

by *Martha M. Eliot*

The United Nations Economic and Social Council at its 16th session voted unanimously on July 20 to continue the United Nations Children's Fund, dropping the words "International" and "Emergency" from its title but retaining the symbol UNICEF. The question of the fund's future will finally be determined by the General Assembly this fall.

The Children's Fund began 7 years ago as an emergency program to alleviate the deprivations of children in war-devastated Europe. Its mandate was extended by the General Assembly in December 1950 in order to make it possible for the estimated 500 million children in the underdeveloped countries to have the benefit of the experience and assistance of the fund. Since December 1950 UNICEF has been providing a tremendous impetus to national efforts to develop permanent maternal and child care services, in the form of necessary imported equipment and supplies along with technical guidance provided largely by the experts from the specialized agencies, particularly WHO and FAO. It is bringing practical benefits of real significance to hundreds of thousands of children subject to constant exposure to crippling diseases and malnutrition, and it is laying the foundation for permanent national programs to provide similar protection to children of future generations.

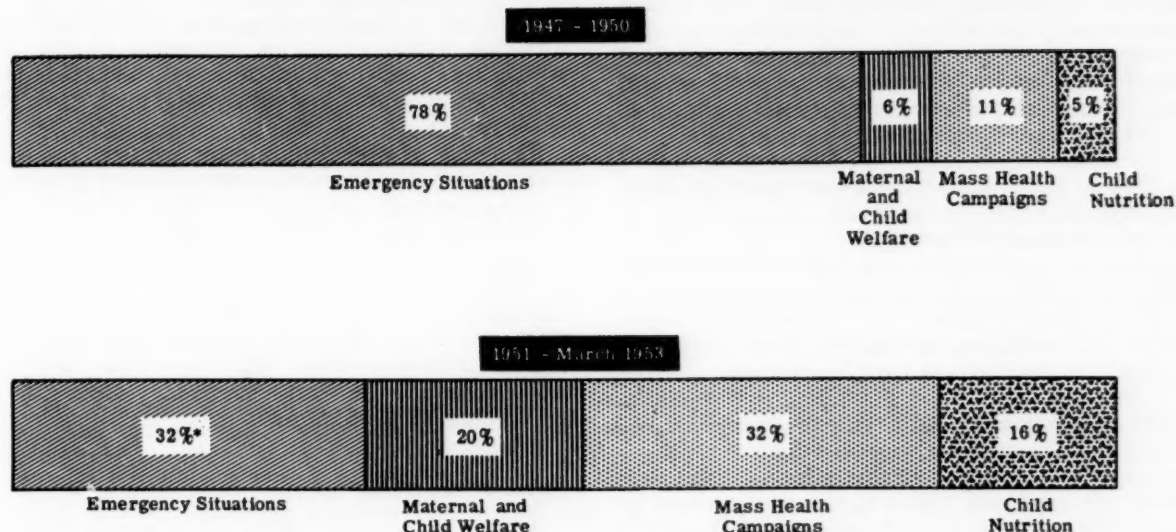
The unanimous vote of the Council is a strong recommendation to the General Assembly once again to extend the mandate of UNICEF to continue its constructive efforts. It expresses the underlying aim of the free world to help insure that these future citizens will have the initiative and enterprise to respond to the challenge of free society rather than succumb to the seductive paternalistic overtures of totalitarianism. This unanimous vote demonstrates once more that UNICEF, touching as it does directly on the lives of people down to the village level, making them aware of what modern technical knowledge and skills can do for them, is one of the most effective symbols of international cooperation for the common good.

Supported entirely by voluntary contributions from governments and private individuals, this international cooperative effort for children is not a giveaway program. Operating on the principle of self-help, it requires recipient governments to match UNICEF assistance with expenditures from local resources, to assume administrative responsibility for programs, and to prepare to continue and extend child-care services after the initial period of international aid ends. Many of the recipient governments not only belong to and support the organization, but in 1952 actually contributed 18 percent of the funds in the central account and duly take pride in the fact that they are aiding other countries. Basically a supply operation, with technical programs administered by experts from the specialized agencies, UNICEF gears its efforts largely to the type of program a country is prepared and able to carry on with its own resources plus some further provision of supplies or equipment from other countries.

The United States took a prominent part in the founding of the Children's Fund and has given it strong support and leadership during its 7 years of operation. At this past session of the Economic and Social Council the U.S. delegation supported continuation of UNICEF with the understanding that since contributions to UNICEF are considered in the context of the whole U.S. foreign-aid program, this support could not be taken as a definite commitment to future financial contributions. In favoring the continuation of the fund, the U.S. delegation also supported some administrative rearrangements for the purpose of insuring the fullest coordination of UNICEF's activities with those of other U.N. organizations. The rearrangements call for a periodic review of the work of UNICEF by the Council, and for the Secretary-General of the United Nations to assume responsibility for, and to report on, the coordination of UNICEF's programs with those of the specialized agencies and U.N. technical assistance.

To date the United States has contributed \$87,416,667 to UNICEF. Congress has recently ap-

SHIFT IN UNICEF AID TO LONG-RANGE PROJECTS
Percent Distribution of UNICEF Assistance by Type of Program



* Approximately half was in connection with the Palestine Refugee Program. No further allocations are to be made by UNICEF for this program, except with certain contributions in kind.

appropriated \$9,814,333 for contributions to international children's welfare work during fiscal year 1954.

Current U.S. Position in Contrast with 1950

The U.S. support of the continuation of UNICEF is in contrast with our situation in the Fifth General Assembly when the mandate of UNICEF was last extended in December 1950. At that time the United States abstained on the ground that greater integration within the United Nations was desirable. The resolution finally passed by the General Assembly in December 1950 (Resolution 417 (V)) incorporated many of the points made in discussion by the U.S. delegation. It shifted the emphasis of UNICEF activity from emergency aid to long-range programs in underdeveloped countries; it provided for greater integration of UNICEF programs with those of the specialized agencies; and to some extent it integrated UNICEF with the U.N. structure by making the members of the Social Commission the core of the UNICEF Executive Board. During the intervening years action by the Executive Board has put the major provisions of this resolution into practice.

UNICEF was established by the General Assem-

bly in December 1946 (Resolution 57 (I)). During its first several years the fund's resources were devoted largely to meeting the emergency needs of children in war-devastated Europe for food and clothing. In 1948 the fund also began providing supplementary emergency relief for Palestine refugee mothers and children. At the same time a start was made in aiding programs of long-range value in Europe, Asia, and Latin America. By the end of 1950, UNICEF had provided approximately \$113,425,000 for aid to children. Of this amount, approximately 76 percent went to Europe, 10 percent each to Asia and the Eastern Mediterranean area, and 3 percent to Latin America. Seventy-eight percent of this amount was allocated for emergency relief.

The shift in program emphasis that resulted from the General Assembly action in December 1950 is reflected in the distribution of the \$29,360,000 of aid allocated from 1951 through March 1953. Of this amount, 88.4 percent went to the underdeveloped countries of Africa, Asia, the Eastern Mediterranean area, and Latin America. Aid for long-range programs accounted for 68 percent of this amount. Emergency relief accounted for 32 percent of this amount, but half of this was a consequence of the Palestine refugee problem, a type of aid which UNICEF discontinued in 1952.

Principles of Operation

UNICEF assistance is provided on the basis not of the total needs of children in a country but rather on the requirements for which international assistance in supplies and equipment is appropriate and can be effectively used. This means that a country requesting UNICEF assistance must have a serious child-welfare problem, have detailed plans for national efforts to meet the problem, and show the necessity for some imported supplies as an integral part of the country's program.

The actual administration of the operations of the UNICEF aid program, including technical planning and direction, remains the responsibility of the governments of assisted countries. UNICEF supplies are made available on the basis of plans of operation drawn up by the recipient government, with the technical advice of the specialized agencies, especially WHO and FAO, and approved by the fund, which set forth in detail how these supplies are to be used as part of a developing permanent child-care program. All health programs are approved by WHO prior to submittal by the Executive Director of UNICEF to the fund's Executive Board for approval. This technical approval by WHO is in accordance with policies for UNICEF's health programs established by WHO and UNICEF through the Joint Committee on Health Policy which was set up in 1948 by the two organizations to provide for effective coordination of their work in the health field and to insure acceptance of the

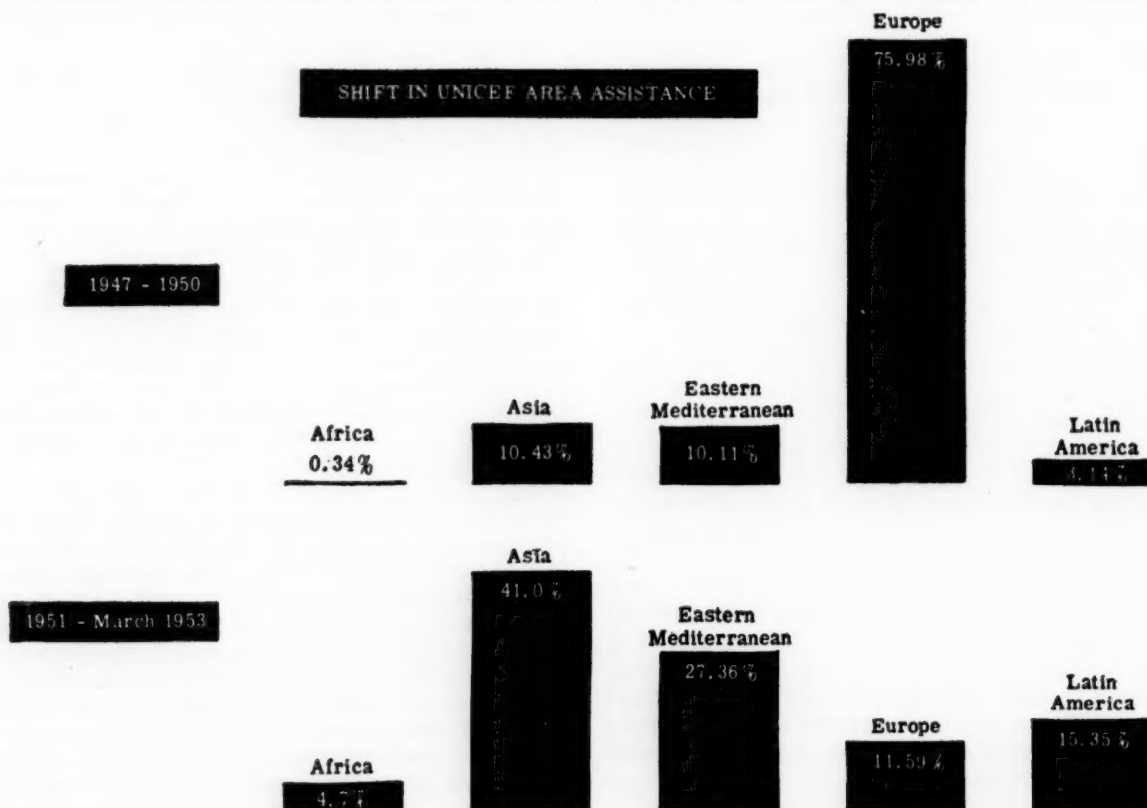
principle that basic responsibility for the coordination of international health services should rest with WHO as provided in its constitution.

In order to insure long-range value, the Board favors aid for programs which give results on the basis of low per capita costs, which are within the capabilities of the receiving countries to continue after the initial period of international aid, and which set local organizational patterns capable of being duplicated and extended elsewhere in the country.

The plan of operation always requires substantial expenditure from recipient-country resources (local personnel, facilities, supplies and services), in addition to the aid given by UNICEF. In some programs the local matching during the period of UNICEF aid is greater than that provided by UNICEF. Contributions to the central account of \$122,161,095 as of the time of the last U.S. contribution in December 1952, were "matched" by expenditures from recipient-country resources by an amount of \$206,255,730.

Types of Programs

Under its current terms of reference UNICEF provides aid for five major types of programs: (1) assistance to maternal- and child-welfare services through equipment and supplies for child-health centers, clinics, laboratories, children's hospitals, and training centers; (2) insecticide,



The Proof of Man's Love for Children

by Mrs. Elizabeth E. Heffelfinger¹

At this stage in the work of the Council we are concerned with one of the most constructive phases of the program of the United Nations—that affecting our children, the citizens of tomorrow. Man's love for children is universal. It is through children that man, with his understanding of the past, can aspire to his ideals in the future. His greatest concern is that his children shall have the things which may have been denied to him. His very fight for liberty is in order that his children can be free men and women.

However, none of the ideals for which man struggles can be realized unless the children of the world can be brought up strong in body and in spirit. The work which the United Nations is doing to further human understanding through education and in its aid to the underdeveloped countries is predicated on the assumption that the citizens of tomorrow will have the strength to take up where we leave off. That is why the well-being of those children is of paramount importance because health, welfare, and education go hand in hand.

I cannot tell you of the despair I felt in 1947 during a visit to Germany and Czechoslovakia on seeing the children of those countries. I saw a group of blind children roaming the streets looking for food for their little bodies, already devastated by rickets. However, I think that the thing that really struck at my heart was the absence of happy, smiling children such as yours and mine. They were hungry and sick and their old, pinched, little faces showed that they had inherited the despair and the heavy hearts of their elders.

In 1949, because of UNICEF, the picture in Germany and Czechoslovakia had improved. Later in India I saw the invaluable training and services being given at maternal- and child-welfare centers through UNICEF. In the camps of Lebanon and Jordan I learned of the control of malaria and tuberculosis through UNICEF and the World Health Organization. UNICEF to these people had become the symbol of man's true interest in man.

I have found from my close association with people of all groups and political faiths that the American people have true generosity of heart in all things affecting not only their children but all children—the children of the world. To us they represent our abiding faith in the future because they are unprejudiced by the hatreds of the past, and they represent the solid ground on which to build lasting peace.

It gives me great pleasure to inform this Council that the U.S. delegation favors the continuation of UNICEF with certain changes in administrative arrangements. I am sure all of you understand that this declaration of U.S. support for the continuation of UNICEF does not mean a commitment of future financial contributions. The matter of U.S. governmental contributions to UNICEF is a part of the regular budgetary process of the U.S. Government. Any such contributions will depend upon authorization by and appropriation of funds in support of such authorization by the Congress of the United States.

¹ Partial text of a statement on UNICEF made by Mrs. Heffelfinger, who served as an adviser with the U.S. delegation to the 16th session of the Economic and Social Council. The statement was made before the Council at Geneva on July 20, and was released to the press on the same date by the U.S. delegation.

penicillin, vaccines, transport, and sprayers for control of communicable diseases largely affecting children; (3) dried skim milk, fats, fish, fish liver oil, and some meat for long-range supplementary child feeding; (4) equipment for milk drying and milk pasteurization plants to assure better use of locally available milk for children; (5) emergency relief action in the case of earthquakes, droughts, or famine in the form of food, clothing, blankets, and medical supplies. Currently UNICEF is distributing its aid among these programs as follows: Maternal- and child-welfare services and training, 37.8 percent; mass health campaigns, 28 percent; long-range supplementary feeding, 12.2 percent; milk conservation projects, 9 percent; aid in emergencies, 15.2 percent.

An idea of the number of beneficiaries reached by UNICEF-aided programs in 1952 may be obtained from the following statistics: 13.5 million were tested for tuberculosis and 5 million vaccinated in 19 countries; 5.1 million were examined against yaws, bejel, and prenatal syphilis, and 1.3 million were treated in 7 countries; 8.3 million were protected against malaria and other insect-borne diseases in 15 countries; 126,000 children were immunized against diphtheria and whooping cough in 5 countries. Some 11,500,000 children and mothers have benefited from UNICEF milk and other foods for various periods since the inception of the fund. Aid has been approved for over 4,200 maternal- and child-welfare centers.

Much has been accomplished by the Children's Fund in the past. When projects now under way are completed, approximately 60 million children will have been reached by UNICEF in 69 countries and territories. Many governments, stimulated by UNICEF aid, are initiating or expanding child-welfare programs of their own. Further assistance must be given these governments if initial efforts are to culminate in the development of effective permanent programs which can be carried on without outside aid. The Executive Board of UNICEF met in March of this year and allocated \$5,349,000 entirely from funds paid into the central account from sources other than the United States. This left an unallocated balance of only \$2,600. Since that time contributions from other governments and funds from other sources have increased the amount available for future allocations to \$1,800,000.

The Executive Board will meet again this September to allocate funds for the balance of its 1953 program. A new U.S. contribution of \$9,814,333 will insure that the scope and adequacy of the UNICEF program will be raised to an effective level.

President Supports Children's Fund

President Eisenhower expressed his support of the Children's Fund in a letter on the Foreign Aid Program addressed to the Chairman of the

Senate Committee on Appropriations on July 22, 1953.¹ In this letter he says "... I place great value on the work of the United Nations International Children's Emergency Fund, with its cooperative approach by many nations in the interest of children of many areas of the world ...".

The Children's Fund is an important and integral part of our foreign-aid program. The economic progress of the underdeveloped countries we are aiding cannot proceed rapidly if these countries are not assisted in developing a strong and productive citizenry. As an overseas investment it is one of our most productive instruments for the creation of good will for the United States at a minimum cost.

• *Dr. Eliot, author of the above article, is chief of the Children's Bureau, Department of Health, Education, and Welfare, and serves as U.S. representative on the United Nations Children's Fund.*

U. S. Delegations to International Conferences

Cinematographic Exhibitions

The Department of State announced on August 11 (press release 430) that the U.S. Government will be represented by Nathan D. Golden, Director of the Motion Picture, Scientific, and Photographic Products Division, Department of Commerce, at the 14th International Exhibition of Cinematographic Art, which is being held at Venice, Italy, from August 11 to September 4, 1953, together with the 4th International Exhibition of Documentary and Short-Length Films, and the 5th International Exhibition of Films for Children. Joseph D. Ravotto, Regional Motion Picture Adviser, U.S. Regional Office, Paris, and Nils Nilson, Films Branch, U.S. Regional Office, Paris, will serve as advisers to the U.S. representative.

This series of annual exhibitions, held under the auspices of the Biennale of Venice and sponsored by the Italian Government, is designed to give public acknowledgment to those films which testify to a genuine effort toward progress in cinematography as a means of artistic expression and of spreading knowledge, culture, and civilization throughout the world. The United States has participated in each of the exhibitions held since 1946.

From the films submitted by the agencies of this Government which produce motion pictures, an interdepartmental committee has selected 10 films on various subjects, including documentary, medical, scientific, and instructional films for showing at Venice. The film-producing agencies whose motion pictures will constitute the U.S. exhibit are the Departments of Agriculture, Defense (Navy), and State, and the Veterans Administration. A special committee consisting of the director of the festival and six other persons will select the feature films to be presented. It is understood that the motion-picture industry of the United States, which has previously participated in several such competitions, has submitted a number of films for possible showing at Venice this year.

¹ BULLETIN of Aug. 3, 1953, p. 158.

Congress on Tropical Medicine and Malaria

The Department of State announced on August 21 (press release 451) that the U.S. delegation to the Fifth International Congress on Tropical Medicine and Malaria which convened at Istanbul, Turkey, on August 28 includes:

James J. Saperro, Captain (MC) USN, Preventive Medicine Division, Bureau of Medicine and Surgery, Department of the Navy, *Chairman*
 Frederick J. Brady, M.D., International Health Representative, Division of International Health, Public Health Service, Department of Health, Education, and Welfare
 Lowell T. Coggeshall, M.D., Consultant, Research and Development Board
 Alton R. Higgins, Captain (MC) USN, Navy Medical Research Unit, Cairo, *Egypt*
 Walter H. Moursund, Jr., Colonel, (MC) USA, Assistant Army Attaché, American Embassy, London, *England*
 Harry H. Stage, Assistant Leader, Division of Insects Affecting Man and Animals, Bureau of Entomology and Plant Quarantine, Department of Agriculture
 Willard H. Wright, Ph.D., Chief, Division of Zoology, National Institutes of Health, Public Health Service, Department of Health, Education, and Welfare

At the Fourth International Congresses on Tropical Medicine and Malaria, held at Washington, D.C., May 10-18, 1948, it was agreed that the International Congress of Medicine and the International Congress of Malaria should be permanently merged to form the International Congress on Tropical Medicine and Malaria.

Congress of Microbiology

The Department of State announced on August 21 (press release 453) that the U.S. Government will be represented at the Sixth International Congress of Microbiology, which is to convene at Rome, Italy, on September 6, by the following:

Delegates

R. E. Buchanan, Ph.D., Professor of Agriculture, Iowa State College, *Chairman*
 Stanley F. Carson, Ph.D., Biology Division, Oak Ridge National Laboratory, Oak Ridge, Tenn.
 Harry Eagle, M.D., Chief, Experimental Therapeutics, Microbiology, Microbiological Institute, National Institutes of Health, Bethesda, Md.
 James Reyniers, Ph.D., Research Professor of Bacteriology, University of Notre Dame

Genetics Congress

The Department of State announced on August 21 (press release 450) that the U.S. Government is being represented at the Ninth International Congress of Genetics which opened at Bellagio, Italy, on August 24, by the following delegation:

Delegates

C. P. Oliver, Ph.D., *Chairman*, Professor of Zoology, University of Texas, Austin, Tex.
 Ralph E. Cleland, Ph.D., Dean of the Graduate School and Head of the Department of Botany, Indiana University, Bloomington, Ind.
 R. Goldschmidt, Ph.D., Professor of Zoology Emeritus, University of California, Berkeley, Calif.
 Francis Ryan, Ph.D., Professor of Zoology, Columbia University, New York, N. Y.
 W. R. Singleton, Sc.D., Biology Department, Brookhaven National Laboratory, Upton, Long Island, N. Y.
 Don Cameron Warren, Ph.D., Bureau of Animal Industry, U.S. Department of Agriculture, Lafayette, Ind.

Greek Questions in the Seventh Session of the General Assembly

Part II: DETENTION OF MEMBERS OF THE GREEK ARMED FORCES

by Harry N. Howard

The question of the detention of members of the Greek armed forces was in many ways similar in character to that of the Greek children. It had been brought to the attention of the fifth session of the General Assembly. On December 1, 1950, the General Assembly approved a resolution recommending the repatriation of members of the Greek armed forces, detained primarily by certain of the Soviet satellites since the period 1947-49.^{54a} The resolution called upon the states concerned to take the necessary measures to implement the resolution, and the International Committee of the Red Cross and the League of Red Cross Societies were requested to establish liaison with the national Red Cross organizations in the harboring states for the purpose of implementation.

In a letter of September 23, 1952, Alexis Kyrrou, the representative of Greece, requested that the question of the noncompliance of the harboring states with the resolution of December 1, 1950, be placed on the agenda of the seventh session.⁵⁵ An explanatory memorandum declared that, with the exception of Yugoslavia, the states which had detained members of the Greek armed forces had ignored the recommendations of the resolution and that over 3,000 Greek military personnel were still forcibly detained in Albania, Bulgaria, Czechoslovakia, Hungary, Rumania, and the Union of Soviet Socialist Republics.

The General Assembly, on October 16, 1952, decided to include the question on its agenda, and it was referred to the *Ad Hoc* Political Committee. However, it was reallocated to Committee I on December 18, at the end of the first part of the seventh session.⁵⁶

On February 17, 1953,⁵⁷ the Secretary-General

circulated a statement by the Executive Director of the International Committee of the Red Cross to the General Assembly, indicating that the problem of detained Greek military personnel had been of some concern to the Committee since 1948. In July 1951, the Committee had received from the Greek Red Cross a list of the names of 148 members of the Greek armed forces who were detained in Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, the Soviet Union, and Yugoslavia. According to the Greek Red Cross⁵⁸ and the Greek Government,

the operations in the course of which the soldiers in question had been captured could on no pretext be described as an international armed conflict or even as a civil war, and . . . the Geneva Conventions relating to the treatment of prisoners of war could therefore not be applied in that particular case. The Greek Red Cross also pointed out that the States to which the captured members of the Greek armed forces had been handed over were not at war with Greece, nor had they officially recognized the armed movement which had led to their capture. According to the Greek Red Cross, the prisoners were therefore being detained without any justification in international law.

In transmitting the lists in its possession to the various national Red Cross societies concerned, on August 7, 1951, the International Committee requested help in returning these people to their homes and referred to the efforts which it had long been making "to reconstitute scattered families." The International Committee also asked the Red Cross organizations of the states concerned "to give similar assistance to any members of the Greek armed forces who, although not included in the lists transmitted," might be in the country in question and might desire assistance in returning

Editor's Note. For part I of this article, see BULLETIN of Aug. 24, 1953, p. 252.

^{54a} General Assembly Resolution 382 A (V).

⁵⁵ U.N. doc. A/2204.

⁵⁶ U.N. docs. A/PV.380, p. 51; A/PV. 382, p. 73; A/PV. 406, pp. 417-419; A/2329.

⁵⁷ U.N. doc. A/2365. The letter was dated Apr. 24, 1952. Also included in this document were other statements bearing on the problem.

⁵⁸ See also the similar view of the U.N. Special Committee on the Balkans in its report to the fifth session of the General Assembly (U.N. doc. A/1307, p. 23). By Apr. 1951, the Greek Red Cross estimated that some 2,950 members of the Greek armed forces were being detained, only 146 of whom had been traced. Yugoslavia had repatriated 63 members by January 1, 1951. See the report of UNSCOB (U.N. doc. A/1857, p. 23).

to Greece. The Committee informed the Secretary-General that—

with the exception of the Yugoslav Red Cross, which took the necessary action in each of the cases referred to it, none of the Red Cross societies applied to answer our communication. In the case of Poland, however, the question was referred to in greater detail in connexion with a visit by a delegation of the International Committee to the Polish Red Cross in September 1951; the latter informed our representatives orally that so far as it knew none of the persons in question was being detained against his will and that any members of the Greek armed forces who might be in Poland could therefore return home if they so desired.

Such was the situation so far as the International Committee was concerned, and it was prepared to give this "important problem" all "due attention" and to inform the Secretary-General of any developments.

Discussion in Committee I

Committee I considered the problem of the detained Greek military personnel in three sessions between March 9 and 12, 1953. The delegations of Denmark, New Zealand, and Peru introduced a proposal reaffirming the resolution of December 1, 1950, "recommending the repatriation of all those members of the Greek armed forces detained outside Greece who express the wish to be repatriated."⁵⁹ It expressed appreciation of the efforts of the International Committee of the Red Cross, appealed to the Governments concerned to conform with the resolution of December 1, 1950, requested the President to consult with the Governments in question to this end and to report to the General Assembly before the end of the session, and invited the Secretary-General "to keep this humanitarian issue under constant review and notify the Member States of important developments as appropriate."

With the single exception of members of the Soviet bloc, there was no disposition on the part of members of Committee I to contest either the terms or the purpose of this proposal. Alexis Kyrrou, the representative of Greece, who opened the discussion on March 9,⁶⁰ stressed the humanitarian aspects of the problem, noting that about 3,000 men were involved and the Greek Army General Staff had prepared a list of men who had been traced to camps in Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, and the Soviet Union. These men, who had been captured

on Greek soil and taken away by the guerrillas, could not be considered as prisoners of war by the harboring states. Mr. Kyrrou emphasized that the resolution of December 1950—

did not request the repatriation of the detained men *en masse*. It recommended only the repatriation of those expressing a desire for repatriation. The free expression of individual choice could not take place without adequate guarantees, and the International Committee of the Red Cross was better fitted than any other international body to assist in that task.

Víctor A. Belaúnde, of Peru, one of the sponsors, also stressed that the men were not prisoners of war, but suggested that, even if they were, they should have the right to return home if they so desired.⁶¹

Ambassador James J. Wadsworth, who spoke for the United States, declared:⁶²

The Cominform countries have refused all cooperation with the International Committee of the Red Cross which sought to ascertain from them the names and whereabouts of the Greek military personnel within their territories. The sole exception to this sorry picture is the course followed by Yugoslavia, which has rendered the necessary cooperation and has repatriated to Greece a number of these individuals. The central point, of course, in the General Assembly's efforts to resolve this basically humanitarian problem is that those among the Greek military personnel concerned who "express the wish to be repatriated" should be freely allowed to do so. No other procedure is admissible or defensible. Of course, it was contemplated . . . that the true wishes of the individuals concerned, once they could be clearly identified and located, would be verified where necessary by the impartial representatives of the International Committee of the Red Cross. The detaining countries . . . have rejected or ignored the attempts made to ascertain clearly who and where these members of the Greek armed forces are, and to provide them with an opportunity freely to state their desire as to repatriation. This behavior constitutes not only contemptuous defiance of the will of the General Assembly but cynical disregard of fundamental humanitarian principles and of accepted international practice.

In Korea, the Soviet-Communist position is that hostilities must continue unless all prisoners of war, regardless of their wishes, are forcibly repatriated. In the present case, the persons concerned cannot be considered as prisoners of war since at no time during the Greek guerrilla fighting were any of the detaining powers engaged in direct belligerent action against Greece. Despite this fact the Soviet Communists maintain in practice that none of the members of the Greek Armed Forces should be repatriated, and they block all steps which might help to determine the true wishes of the Greek military personnel. Under no possible interpretation of international law is there any right to continue the detention of those members of the Greek Armed Forces who wish to return to their homeland.

Similarly, Henri Hoppenot, of France, was concerned with the humanitarian aspects of the problem and believed that it was time to make another appeal to the governments concerned.⁶³ Jozef Winiewicz, of Poland, however, rejected all these considerations, and, in presenting the case for the Soviet bloc, asserted that no evidence what-

⁵⁹ U.N. docs. A/C.1/L.23, 26, 29/Corr. 1. The Lebanese delegation amended par. 1 to replace the words "with the generally acknowledged principles of International Law" by the words "with General Assembly resolution 382 A (V)."

⁶⁰ U.N. doc. A/C.1/SR.570, p. 425-426. On Aug. 24, 1948, the Tirana radio admitted that 224 Greek soldiers captured by guerrillas were in Albania, and Mr. Kyrrou recalled that in 1951 the Hungarian Red Cross had indicated that there were 616 Greek civilians who had been forcibly removed from Greece.

⁶¹ *Ibid.*, p. 4.

⁶² *Ibid.*, p. 5; US/UN press release No. 1653 (Mar. 9, 1953). For full text, see appendix.

⁶³ U.N. doc. A/C.1/SR.570, p. 427.

ever had been presented in behalf of the resolution, and declared that the representative of Greece was "hypocritically attempting to represent the question as an humanitarian cause."⁶⁴ After pointing to certain discrepancies in the estimates of detained Greek military personnel, the Polish representative made the customary remarks about "provocative" and "false and slanderous charges" against the Soviet Union and "the peoples' democracies" on the part of the "instigators of a new war."

This was not a very effective performance, for, as Sir Gladwyn Jebb, of the United Kingdom, pointed out, it would be simple to find out the exact number of persons captured if the countries concerned were willing to cooperate.⁶⁵ Moreover, there was agreement that prisoners who so desired should be repatriated, and it was time to release the Greek soldiers, since the fighting in Greece had ended in 1949. However, if the representative of Poland and others persisted in their attitude, "they could only aggravate the misfortune of the prisoners concerned." Mr. Kyrrou accused the Polish representative of a political maneuver and, as to the discrepancies in the numbers of detained military personnel, pointed out that there was a lack of information from the countries still detaining members of the Greek armed forces. However, he stated that the International Committee of the Red Cross had a list of 1,198, indicating that there were 297 in the Soviet Union, 341 in Albania, 187 in Poland, 38 in Hungary, 46 in Rumania, 147 in Bulgaria, and 142 in Czechoslovakia. In the statement of the Polish Red Cross to the effect that "no Greek soldier was being detained in Poland against his will," there was the obvious implication that there were such personnel in Poland.⁶⁶

The unanimity of opinion expressed on March 10 was very striking. Selim Sarper, of Turkey, urged unanimous support for the proposed resolution.⁶⁷ Mr. Fabregat, of Uruguay, who emphasized that the detainees could not be considered as prisoners under international law, declared that "the General Assembly could not remain indifferent to such a problem," but must reach a decision and must hear the reply of the Governments concerned.⁶⁸ This was also the view of D. J. von Balluseck, of the Netherlands, who declared that "if the detaining countries would reveal how many Greek soldiers they were retaining, together with their identity and whereabouts, it would be possible to ascertain the true wishes of those soldiers."⁶⁹

Mr. Munro, of New Zealand, a cosponsor of the resolution, took exception to the Polish charge that the Greek complaint was simply a diversion-

ary maneuver, called attention to the Soviet position in the Korean case that "the principle of non-forcible repatriation was absolutely unacceptable," and thought it especially "illuminating" to see how Communists used "those unfortunate enough to fall into their clutches." Mr. Munro pointed to the principle of voluntary repatriation involved in the case of the Greek military personnel and wondered whether the "satellite States of Eastern Europe" were prepared to go so far as to turn over the Greek servicemen, for example, to the International Red Cross on the understanding that "all those who wished to return would be promptly repatriated." If not, he said, "Mr. Vyshinsky's protestations of support for the right of repatriation must sound even more hollow than before." Another cosponsor, Hermod Lannung, of Denmark, emphasized the purely humanitarian phases of the question, the solution of which, "small in world politics but large for those concerned, might serve as a first step in the direction of settling the bigger problems facing the world."⁷⁰

Leo Mates, of Yugoslavia, thought the question to be part of "a broader pattern of international conduct" which "involved total disregard both for elementary humanitarian considerations and for basic precepts of international law." It was also marked "by a singular disinclination to cooperate with the United Nations," coupled "with a cool contempt for United Nations recommendations and appeals." But he hoped that the resolution would receive an overwhelming support, which would give it the moral sanction of the United Nations.⁷¹

Other representatives reflected similar sentiments. Mr. Lawrence, of Liberia, believed that if there had been any intention to repatriate the prisoners, the detaining states would have given all facilities to the International Red Cross for purposes of verification of the Greek charges. Mr. Trujillo, of Ecuador, was somewhat troubled about asking the International Red Cross to continue its work with respect to detained Greek military personnel and not to do so in the case of the Greek children. But Mr. Kyrrou explained that the International Red Cross itself had suggested that it would be futile in the case of the Greek children, "until such time as conditions making practical action by the Red Cross possible and useful" were established.⁷² Joseph Nisot, of Belgium, felt that the Soviet bloc had "a golden opportunity" to demonstrate their well-propagandized attachment to the cause of human rights. The Colombian representative, Evaristo Sourdis, thought it very appropriate to inquire "why, in the case of Korea, an armistice could not be reached because the principle of forcible repatriation had been invoked, when those who defended that principle did not

⁶⁴ *Ibid.*, pp. 427-428.

⁶⁵ *Ibid.*, p. 428.

⁶⁶ *Ibid.*

⁶⁷ U.N. doc. A/C.1/SR.571, p. 429.

⁶⁸ *Ibid.*, pp. 429-430.

⁶⁹ *Ibid.*, p. 430.

⁷⁰ *Ibid.*, pp. 430, 431.

⁷¹ *Ibid.*, p. 431.

⁷² *Ibid.*, pp. 431-433.

apply it with regard to the detained members of the Greek armed forces."⁷³

The discussion continued on March 12, with the Soviet representative, G. N. Zarubin charging that the entire Greek position was based on fabrications.⁷⁴ Mr. Winiewicz, of Poland, dutifully reiterated these reflections on the problem, while Ambassador Jooste, of South Africa, supported the Greek position.⁷⁵ Mr. Kyrou, who summed up the Greek case, once more stressed the purely voluntary character of the proposed repatriation.⁷⁶

The First Committee was now ready to vote, the unanimity of view—again with the exceptions noted—being maintained throughout. The draft resolution as a whole was approved by a vote of 54 to 5, with India abstaining.⁷⁷

The Plenary Session

The plenary session of the General Assembly dealt with the problem on March 17 and, since Committee I had dealt amply with the questions involved, there was no discussion.⁷⁸ In explaining the position of the Greek delegation, however, Mr. Kyrou expressed his gratitude to Committee I for the action it had taken. He appealed in favor of a new "truce of God" for the repatriation "of all those members of the Greek armed forces detained outside Greece" who freely expressed "the wish to be repatriated." The Greek representative then asked the members of the Soviet bloc to report the sentiments of the General Assembly to their Governments "with as much fidelity" as was "humanly possible." "By contributing to the clearing of the atmosphere" on an issue such as this, he thought, they might "be instrumental in improving the situation in wider political spheres."

The draft resolution was thereupon adopted by a vote of 54 to 5, and the consideration of the Greek problem at the seventh session of the General Assembly was closed.⁷⁹

•Mr. Howard, author of the above article, is United Nations Adviser for the Bureau of Near East, South Asian and African Affairs.

⁷³ *Ibid.*, p. 433.

⁷⁴ U.N. doc. A/C.1/SR.572, p. 435.

⁷⁵ *Ibid.*, pp. 435-436.

⁷⁶ *Ibid.*, pp. 436-437.

⁷⁷ U.N. doc. A/C.1/SR.572, p. 437. The preamble, which confirmed the 1950 resolution and expressed appreciation of the work of the International Red Cross, was approved by 53 votes to 5 (Soviet bloc), with 1 abstention. Paragraph 1, which appealed to the Governments concerned to conform with the 1950 resolution, was approved by 51-5-3. Paragraph 2, requesting the President to consult with the Governments concerned and report to the General Assembly, was approved by 54-5-1. Paragraph 3, inviting the Secretary-General to keep the issue under constant review and to notify Member States of important developments, was also approved by a vote of 54-5-1.

⁷⁸ U.N. doc. A/PV.415, pp. 553-554; General Assembly resolution 702 (VII). For text, see appendix.

⁷⁹ It may be noted that an additional 50 Greek children

APPENDIXES

I

Statement by Mrs. Edith Sampson U.S. Representative to the General Assembly

(made on November 20, 1952, in the Ad Hoc Committee on Repatriation of Greek Children)

The tragic problem of thousands of abducted Greek children has been before the General Assembly on four previous occasions. These children are the innocent victims of Cominform-inspired strife. Torn from their parents and their homes in Greece, they were carried off by communist guerrillas into neighboring countries. Here the children remain, pawns in the hands of the governments which hold them, unable to return to their families and their native land.

The forcible separation of children from their families is a major crime. It would be despicable even if only one child were involved. How, then, are we to express our outrage when these forcible separations were practiced on a mass scale?

Let's look at the record. We have before us the report of the International Committee of the Red Cross and the League of Red Cross Societies. No one can read it without indignation.

Since 1948, four successive General Assemblies have tried to help solve the problem. The Secretary-General, the International Red Cross organizations and, more recently, the Standing Committee on the Repatriation of Greek Children have done everything possible to work out arrangements for the repatriation of the children. The International Red Cross organizations have examined and verified the authenticity of thousands of repatriation requests submitted by Greek parents. They have transmitted these requests to the authorities in Eastern European countries, together with lists of the children originally removed from Greece. Where permitted, they sent representatives to confer on the spot and to visit the camps in which the Greek children are detained. They scrupulously answered every request for information made by the authorities in Eastern Europe. Despite any number of rebuffs, they persevered patiently in their efforts to maintain contact with the authorities in the Cominform countries. But in the end, with one exception, their work was fruitless. The exception is Yugoslavia, the only bright spot in an otherwise shocking picture. During 1952 Yugoslavia continued to cooperate with the International Red Cross organizations and returned an additional number of children to their homeland.

The Cominform countries, on the other hand, have given the International Red Cross organizations a heartbreaking run-around. Repeated requests for information by these organizations went unanswered. Requests for visas to permit International Red Cross representatives to confer on the spot with the detaining authorities were repeatedly denied. Early in 1950, disturbed by the lack of progress, the International Red Cross organizations invited representatives of the Cominform countries to a conference in Geneva to re-examine the whole problem. None of the invited countries sent representatives to the proposed conference.

These examples typify the pattern of heartless response

were repatriated from Yugoslavia to their homes in Greece on April 26, 1953, but no further action was taken with regard to the repatriation of members of the Greek armed forces. On March 20, 1953, General Assembly President Lester B. Pearson addressed letters to the various harboring states, but the governments of Poland, the Soviet Union, and Czechoslovakia all indicated that they had no further word to add to the consideration of this subject. No replies were received from Albania, Bulgaria, Hungary, or Rumania. (See U.N. docs. A/2388 and A/2397.)

by the Cominform authorities to the patient and sincere initiatives of the International Red Cross organizations. Year after year, these authorities played the same cynical game of obstruction and evasion. In one or two instances it seemed as if there were grounds for hope that progress was being made. But invariably, at the last moment the Eastern European regimes found or invented new pretexts for failing to cooperate.

The result? In 4 years, not one Greek child was restored to his family.

So much for the record. What, we may ask, is the significance of this issue in the light of our responsibilities to promote world peace? Let me state frankly why I think it is so significant.

This case represents a test, a test of basic human decency. No one in this General Assembly has ever had a dissenting opinion or disagreed on the course of action to be taken. In the last 4 years no member has ever challenged the inherent right of children to be reared by their own parents in their own homes. No member has ever cast a single vote against the four successive resolutions of the Assembly on this subject. Indeed, the first two resolutions were carried unanimously.

Thus, from the start, all of us agreed on what we should do to solve this problem. One affirmative word from the Cominform regimes would long ago have lifted the sorrow of thousands of Greek families. But that word has never been uttered. For the Greek families, the result is continued grief. For the rest of us, it is an example of how, even in a situation in which no vital political interests are involved, the Cominform authorities still refuse to act like respectable members of the world community.

Let us remember that, as time passes, the Greek children are growing up in alien lands. For all these years they have been deprived of normal family life; of contact with the ideals and the culture of their own native land. Instead, they are exposed to intensive communist indoctrination. We can be sure they are being taught to hate and reject the ancient democratic traditions of their native land; to renounce and to betray the ties of blood which bind them to their people.

What action can this Committee now take in this situation? In view of the lack of good faith and cooperation by the authorities in Eastern Europe, it is obvious that hopes for the repatriation of the Greek children are dim. But at least we can register our concern over the absence of any solution. We can pin the responsibility where it belongs.

Therefore we should make it clear that the authorities in the Cominform countries have refused to cooperate with the International Red Cross organizations. In playing politics with the lives of children, they have displayed brutal indifference to the grief of thousands of Greek families.

At the same time, we should note the cooperation which Yugoslavia is giving to the International Red Cross organizations. And we should express our heartfelt thanks to the Secretary-General, the Standing Committee, the International Committee of the Red Cross, and the League of Red Cross Societies, for their tireless efforts to carry out the resolutions of the General Assembly.

The delegations of Brazil and New Zealand have presented a draft resolution on this problem. My delegation believes this draft resolution plots the proper course of action to be followed by the General Assembly.

My delegation, therefore, will vote for the draft resolution.

II

Repatriation of Greek Children

General Assembly resolution 618 (VII).
Adopted Dec. 17, 1952

The General Assembly,

Viewing with grave concern the report of the International Committee of the Red Cross and the League of Red

August 31, 1953

Cross Societies (A/2236 and Add. 1) and the report of the Secretary-General and the Standing Committee on the Repatriation of Greek Children (A/2241),

1. *Thanks* the International Committee of the Red Cross, the League of Red Cross Societies, the Standing Committee on the Repatriation of Greek Children and the Secretary-General for their efforts to give effect to General Assembly resolutions 193 C (III), 288 B (IV), 382 C (V) and 517 (VI);

2. *Recalls* that the States harbouring Greek children have not opposed the successive recommendations of the General Assembly for the solution of the problem of repatriating these children;

3. *Expresses deep regret* that, except for Yugoslavia, none of the harbouring states has complied with these recommendations;

4. *Condemns* the failure of the harbouring States other than Yugoslavia to co-operate in efforts to enable the Greek children to return to their homes;

5. *Decides* to discontinue the Standing Committee on the Repatriation of Greek Children and agrees to the suspension of the work of the International Committee of the Red Cross and the League of Red Cross Societies—with the exception of the activities referred to in paragraph 7 below—until such time as conditions making practical action by the Red Cross possible and useful are established;

6. *Notes with satisfaction* that further groups of Greek children have been repatriated from Yugoslavia;

7. *Requests* the International Committee of the Red Cross and the League of Red Cross Societies to continue their work in Yugoslavia until all children have been repatriated.

III

Statement by James J. Wadsworth U.S. Representative to the General Assembly

(made on March 1, 1953, in Committee I on Repatriation of Greek Military Personnel Detained in Various Countries of Eastern Europe)

The question now before us in this committee, like the tragic problem of Greek children, is not new. As pointed out in the explanatory memorandum submitted by the delegation of Greece, the General Assembly adopted a separate resolution on this problem on December 1, 1950. That resolution was adopted after consideration of the unanimous conclusions of the United Nations Special Committee on the Balkans concerning those members of the Greek armed forces who were captured by the Greek guerrillas and taken into countries north and east of Greece where, with the exception of Yugoslavia, they are still being detained.

The Special Committee on the Balkans, in its 1950 report to the General Assembly, pointed out that the members of the Greek armed forces in question cannot be regarded as prisoners of war of the states by whom they are detained and that there is, in fact, no valid basis under international law for their continued detention. In its 1950 resolution on the subject, the General Assembly recommended the repatriation "of all those among them who express the wish to be repatriated" and called upon the states concerned to take the necessary measures for speedy implementation. The International Red Cross Organizations were requested to insure liaison with the national Red Cross Societies of the states concerned with a view to implementing the resolution.

The Cominform countries have refused all cooperation with the International Committee of the Red Cross which sought to ascertain from them the names and whereabouts of the Greek military personnel within their territories. The sole exception to this sorry picture is the course followed by Yugoslavia, which has rendered the necessary cooperation and has repatriated to Greece a number of these individuals. The central point, of course, in the

General Assembly's efforts to resolve this basically humanitarian problem is that those among the Greek military personnel concerned who "express the wish to be repatriated" should be freely allowed to do so. No other procedure is admissible or defensible. Of course, it was contemplated by the General Assembly that the true wishes of the individuals concerned, once they could be clearly identified and located, would be verified where necessary by the impartial representatives of the International Committee of the Red Cross. The detaining countries of the Cominform bloc, whatever their motives may be, have rejected or ignored the attempts made to ascertain clearly who and where these members of the Greek armed forces are, and to provide them with an opportunity freely to state their desire as to repatriation. This behavior constitutes not only contemptuous defiance of the will of the General Assembly but cynical disregard of fundamental humanitarian principles and of accepted international practice.

In Korea, the Soviet-Communist position is that hostilities must continue unless all prisoners of war, regardless of their wishes, are forcibly repatriated. In the present case, the persons concerned cannot be considered as prisoners of war since at no time during the Greek guerrilla fighting were any of the detaining powers engaged in direct belligerent action against Greece. Despite this fact the Soviet Communists maintain in practice that none of the members of the Greek Armed Forces should be repatriated, and they block all steps which might help to determine the true wishes of the Greek military personnel. Under no possible interpretation of international law is there any right to continue the detention of those members of the Greek Armed Forces who wish to return to their homeland.

During the Sixth General Assembly, this problem was not discussed except for the statement, which was fully accepted by the *Ad Hoc* Political Committee on January 31, 1952, that the pertinent General Assembly resolution of 1950 was to be considered as continuing in force until or unless the Assembly were to take contrary action. More than 2 years have passed since the Assembly recommended the proper and humane procedure to be followed which would permit those of the Greek military personnel who wish to do so to return to their native land and their families. The United States fully agrees that the General Assembly "cannot remain silent in the face of such a negative attitude towards a resolution with so high a humanitarian purpose. . . ." The guerrilla war was concluded in 1949; the Greek soldiers concerned have been arbitrarily and illegally detained in the various countries of Eastern Europe, with the exception of Yugoslavia, for from 3 to 4 years.

What is the purpose of this inhuman and cruel policy on the part of the Eastern European states within the Soviet system? Perhaps they will seek to pretend that these individuals (as was argued by them on the subject of Greek children) can lead freer, happier and more prosperous lives behind the Iron Curtain behind which they have disappeared. Surely they will not expect us to take such arguments seriously. Or perhaps they may argue that, because these people have been gone for several years, the Greek Government might treat them severely if they were to be returned. May I remind the Committee that all that has been sought is the return of those who definitely desire repatriation and who are enabled freely (and I emphasize the word *freely*) to express that wish. It would be absurd to imagine that such individuals would be received in Greece other than with rejoicing of their families and with the warm welcome of their own national government.

The United States delegation believes that the Secretary-General and the International Red Cross Organizations deserve our sincere appreciation for the continued efforts they have made in this humanitarian cause. It is consistent that the General Assembly should address an earnest appeal to the Governments concerned to conform their attitude in this question with the generally acknowledged principles of international law, for this

will serve to buttress the recent request, reported in General Assembly document A/2365 of February 17, 1953, of the International Committee of the Red Cross to the National Red Cross Societies of Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, and the U. S. S. R. urging them to inform the International Committee "of their governments' intentions with regard to the problem of the Greek nationals and of any conditions which their Governments might wish to place on the repatriation of these persons." It is consistent also that the General Assembly should request its President to consult to this end with the Cominform Governments in question and that the Secretary-General should keep this humanitarian issue under review and notify Member States of important developments in this issue.

My delegation believes that the draft resolution sponsored by Denmark, New Zealand, and Peru is consistent with the moral, humanitarian, and legal position which the General Assembly has always taken on this problem and will therefore wholeheartedly support that draft resolution.

IV

Repatriation of Members of Greek Armed Forces

General Assembly resolution 702 (VII)
Adopted Mar. 17, 1953

The General Assembly,

Confirming its resolution 382 A (V) of 1 December 1950 recommending the repatriation of all those members of the Greek armed forces detained outside Greece who express the wish to be repatriated,

Noting with deep appreciation the continued efforts of the International Committee of the Red Cross with a view to implementing the aforementioned resolution,

Recalling the latest communication of the International Committee of the Red Cross to the national Red Cross societies of the Governments concerned,

1. *Addresses an earnest appeal* to these Governments to conform their attitude in this question with General Assembly resolution 382 A (V);

2. *Requests* the President of the General Assembly to consult to this end with the Governments in question and to report back to the General Assembly before the close of its current session;

3. *Invites* the Secretary-General to keep this humanitarian issue under constant review and to notify the Member States of important developments as appropriate.

U.S. Places Forced Labor Item on General Assembly Agenda

U.S./U.N. press release dated August 17

Ambassador Henry Cabot Lodge, Jr., U.S. representative to the United Nations, announced on August 17 that the United States has placed on the agenda of the Eighth General Assembly a new item, "Evidence of Existence of Forced Labor." The item grows out of the report of the United Nations International Labor Organization *Ad Hoc* Committee on Forced Labor.¹

The explanatory memorandum of the United States to the United Nations is printed below.

Ambassador Lodge commented:

United Nations debate should make clear to the entire world the inhuman conditions of forced labor existing in Communist countries—in the so-called "workers' para-

¹ For an excerpt from the report, see BULLETIN of Aug. 10, 1953, p. 167.

dise." The General Assembly should express its firm determination that these conditions must be abolished.

The Committee Report is an impartial and scientific survey. It is the first such survey in history. It is this survey which exposes for all time the cruel hypocrisy of Communist appeals to working people. Those who pretend to defend the rights of workers are found instead to have violated those rights through methods amounting to persecution and torture. The chains of communism itself are bared for all to see.

Text of Explanatory Memorandum

On June 22, 1953, the United Nations International Labor Organization *Ad Hoc* Committee on Forced Labor issued its final report after almost two years of investigations into allegations of the existence of forced labor in a number of states. The Concluding paragraph of the report (paragraph 561) states:

[The Committee's] inquiry has revealed the existence of facts relating to systems of forced labor of so grave a nature that they seriously threaten fundamental human rights and jeopardize the freedom and status of workers in contravention of the obligations and provisions of the Charter of the United Nations.

The conclusion of the *Ad Hoc* Committee reveals a serious situation of urgent concern to the United Nations. The Committee reports that forced labor for political purposes exists in four countries and that in other countries, existing laws and regulations can be applied so as to create conditions of forced labor. The Committee also reports that forced labor for economic purposes exists in seven countries and that in a number of other countries such conditions might exist.

This impartial study by a committee of outstanding individuals constitutes conclusive evidence of a calculated disregard for human rights and fundamental freedom in certain areas of the world. Its analysis of the deprivation of individual liberties and the demeaning of conditions of life for millions of people has aroused the widespread attention of the public, which rightfully expects a positive and immediate response by the United Nations to the Committee's conclusions.

This report was called to the attention of the governing body of the International Labor Organization and of the Economic and Social Council within a few days after it was issued. In view of the fact that the lengthy document had appeared only shortly before the opening of its 16th Session, the Economic and Social Council postponed its consideration of the report to the 17th session. As the 122d governing body of the International Labor Organization was nearing the end of its session when the report appeared, it also was not possible for the governing body to give full consideration to the report. However, the governing body of the International Labor Organization did approve unanimously a proposal that the Director General address an appeal to all governments which maintained or might maintain a system of forced labor of a political type to the effect that

they reexamine their laws and administrative processes. The governing body also placed on record the intention of the International Labor Organization to give sympathetic consideration to the recommendation of the *Ad Hoc* Committee and instructed the Director General to place appropriate proposals before the 123rd governing body.

The United States believes that consideration of these grave conditions of forced labor cannot be further postponed by the United Nations. The United States also believes that the General Assembly should record at this session the seriousness with which it regards the situation and its determination that forced labor should be abolished, and shall request the Economic and Social Council and the International Labor Organization as a matter of urgency to consider the report of the *Ad Hoc* Committee with this goal in view.

Senate Resolution 150 On Disarmament

Press release 446 dated August 18

On July 29, the U.S. Senate unanimously adopted Senate Resolution 150 on disarmament. This resolution was one of more than 40 resolutions on disarmament which were presented in the Senate and in the House of Representatives, and it is indicative of the substance of these other resolutions. The Senate resolution emphasized that the American people and their Congress ardently desire peace and the achievement of a system under which armaments, except for the maintenance of domestic and international order, will become unnecessary; that it continues to be the declared purpose of the United States to seek by all peaceful means the conditions for durable peace and concurrently with progress in this respect to seek, within the United Nations, agreements by all nations for enforceable limitations of armament in accordance with the principles set out in President Eisenhower's address of April 16, 1953.¹

The Senate requested that copies of the resolution be transmitted to the President and the Secretary of State, and that the President make known the sense of the resolution to the United Nations and to the heads of State of the nations of the world, with the request that their people be informed of its contents.

Accordingly, Ambassador Henry Cabot Lodge, Jr., U.S. representative to the United Nations, on August 18 transmitted this resolution to the Secretary-General of the United Nations for circulation to all members of the United Nations. In addition, the resolution has been sent by the Department of State to all U.S. diplomatic posts, directing them to present copies of the resolution to the Foreign Office of the Government to which they are accredited, and to explain that the resolution is demonstrative of the abiding interest of

¹ BULLETIN of Apr. 27, 1953, p. 599.

the Congress and the Executive Branch of the U.S. Government in achieving an agreed disarmament program as an inherent part of a durable peace.

Text of the Senate Resolution follows:

RESOLUTION

Whereas the peoples of the earth are plunged into vast armament expenditures which divert much of their effort into the creation of means of mass destruction; and

Whereas the American people and the Congress ardently desire peace and the achievement of a system under which armaments, except for the maintenance of domestic and international order, will become unnecessary while at the same time the national security of our own and other nations will be protected; and

Whereas it is the policy of the Government of the United States to seek the honorable termination of present armed conflicts, and the correction of oppression and injustice and other conditions which breed war; and Whereas progress in these respects would strengthen world trust so that the nations could proceed with the next great work, the reduction of the burden of armaments now weighing upon the world; Now, therefore, be it

Resolved, That it continues to be the declared purpose of the United States to seek by all peaceful means the condi-

tions for durable peace and concurrently with progress in this respect to seek, within the United Nations, agreements by all nations for enforceable limitation of armament in accordance with the principles set out in the President's address of April 16, 1953, namely—

(1) the limitation, by absolute numbers or by an agreed international ratio, of the sizes of the military and security forces of all nations;

(2) a commitment by all nations to set an agreed limit upon that proportion of total production of certain strategic materials to be devoted to military purposes;

(3) international control of atomic energy to promote its use for peaceful purposes only and to insure the prohibition of atomic weapons;

(4) a limitation or prohibition of other categories of weapons of great destructiveness; and

(5) the enforcement of all these agreed limitations and prohibitions by adequate safeguards, including a practical system of inspection under the United Nations;

to the end that a greater proportion of the world's productive capacity may be used for peaceful purposes and for the well-being of mankind; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States and the Secretary of State, and that the President make known the sense of this resolution to the United Nations and to the heads of state of the nations of the world with the request that their people be informed of its contents.

U.S. To Continue Assistance to Germany, France, Norway, and the United Kingdom

White House press release dated August 1

LETTER FROM THE PRESIDENT TO CONGRESSIONAL CHAIRMEN

The President on August 1 sent the following identical letters to Styles Bridges, chairman, Committee on Appropriations, U.S. Senate; Leverett Saltonstall, chairman, Committee on Armed Services, U.S. Senate; Alexander Wiley, chairman, Committee on Foreign Relations, U.S. Senate; John Taber, chairman, Committee on Appropriations, House of Representatives; Dewey Short, chairman, Committee on Armed Services, House of Representatives; and Robert B. Chipperfield, chairman, Committee on Foreign Affairs, House of Representatives:

DEAR MR. CHAIRMAN: Acting on my authority under Section 103 (b) of the Mutual Defense Assistance Control Act of 1951, I have directed the continuance of United States assistance to the Federal Republic of Germany, France, Norway and the United Kingdom.

In so doing, I have acted upon the advice of the Director for Mutual Security, who has the responsibility of administering the Mutual Defense Assistance Control Act. Before rendering

this advice, he consulted with all the agencies represented on the Economic Defense Advisory Committee, including the Departments of State, Defense, Treasury and Commerce, and they recommended the continuance of aid.

The four countries named above have permitted the export to the Soviet bloc of certain industrial materials of primary strategic significance. I am attaching a letter from the Director for Mutual Security describing the shipments and discussing the reasons why these countries permitted them.

I have carefully taken into account the pertinent considerations involved in these cases, and I have determined that the cessation of aid would clearly be detrimental to the security of the United States. The termination of all aid to these countries at this time would jeopardize the unity and strength of the Western nations that are working together toward the common goal of world peace.

This is the first time that it has been necessary for me to exercise my authority under Section 103 (b). In considering these cases, I have been struck by the relative infrequency of shipments of this kind, and by the fact that the few shipments made have been based upon a policy of honoring commitments previously undertaken or upon the conviction that the margin of the strength of the

free world over that of the Soviet bloc was being increased by the resulting two-way trade.

The United States will continue to press its objective of preventing the shipment to the Soviet bloc of items of primary strategic importance. We will do so in such a way that our actions will serve the unity and security of the free nations in the common defense effort.

Sincerely yours,

DWIGHT D. EISENHOWER

OBSERVATIONS OF THE MUTUAL SECURITY DIRECTOR

JULY 31, 1953

MY DEAR MR. PRESIDENT: The purposes of this letter are as follows:

First, to report that certain countries of Western Europe have permitted the shipment of strategic materials under such circumstances as to require a Presidential Determination under Title I, Section 103 (b) of the Mutual Defense Assistance Control Act of 1951 (Battle Act).

Second, to advise that you direct the continuance of United States assistance to each of these countries, since in each case the termination of aid would be detrimental to the security of the United States. I make this recommendation on the advice of Vice Admiral Walter S. DeLany, USN (Ret.), my Deputy for Mutual Defense Assistance Control, and with the unanimous concurrence of the eleven government agencies represented on the Economic Defense Advisory Committee, including the Departments of State, Treasury, Defense, and Commerce.

Section 103 (b) provides for the mandatory termination of all military, economic, and financial aid to any country that knowingly permits the shipment to the Soviet bloc of "arms, ammunition, implements of war or atomic energy materials"—items known as "Category A." To my knowledge no country receiving U.S. aid has permitted the shipment of such items.

The same section provides for termination of aid if a country ships "petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war," as listed by the administrator of the Act. This list is designated "Category B." Concerning the shipment of such "Category B" items, however, the termination of aid is not mandatory; the President may direct the continuance of aid "when unusual circumstances indicate that the cessation of aid would clearly be detrimental to the security of the United States."

The following countries, although they cooperate with the United States and with one another in the control of strategic exports, have shipped

certain amounts of "Category B" items to Soviet bloc countries.

THE FEDERAL REPUBLIC OF GERMANY shipped \$10,660 worth of ball and roller bearings to Hungary in fulfillment of a "prior commitment"—that is, a commitment made before the Battle Act embargo lists went into effect on January 24, 1952. The Hungarians ordered these bearings for railroad rolling stock which they are manufacturing on Argentina's order.

FRANCE shipped an additional \$450,864 of its "prior-commitment" items to Eastern Europe, including various amounts of bearings, valves, cocks, lathes, grinders, aluminum, sodium, nickel tubes, and a boring mill.

NORWAY shipped 3,250 metric tons of aluminum ingots, valued at about \$2,323,000. Of this, 2,000 tons went to the USSR, 750 to Poland, and 500 to Czechoslovakia.

THE UNITED KINGDOM shipped an additional \$580,016 of its "prior-commitment" items to Eastern Europe, including locomotive equipment, a small rolling mill, safety valves, and miscellaneous other articles. Besides these prior commitments, British firms have also exported to various Soviet bloc countries \$25,925 worth of "Category B" items in very small shipments, some of which were less than one dollar and only a few of which exceeded \$1,000.

Summarizing the above figures, there is an estimated total of \$3,260,286 worth of "Category B" items which were shipped by the four countries and which have not previously been the subject of a determination under the Battle Act.

All of those items went to Eastern Europe with the exception of one small shipment to Communist China—\$32 worth of gauges intended for a sugar-processing plant.

All the shipments from France and the Federal Republic of Germany, and nearly all those from the United Kingdom, as noted above, were made in accordance with "prior commitments." Therefore they constitute further developments in a long-standing situation which is already well-known to you and to the six committees of the Congress that have the statutory responsibility of receiving reports on Battle Act determinations.

The 3,250 tons of Norwegian aluminum were shipped under Norway's 1952 trade agreements with the USSR, Poland, and Czechoslovakia. Only the shipments to Czechoslovakia (500 tons) were "prior commitments," the Norwegian-Czech agreement having been signed before the Battle Act embargo lists went into effect. The agreements with the USSR and Poland were concluded later in 1952.

The Norwegians shipped the aluminum on the ground that by so doing, they were enabled to obtain important commodities from Eastern Europe, including coal, manganese ore, grains, and sugar, and also to find a market for their salted herring.

Norway depends heavily upon imports for the basic needs of its economy. By far the greater part of its imports come from the free world. Considerable amounts of certain important commodities, however, have traditionally come from Eastern Europe.

Under the 1952 trade agreements, Norway received coal, grains, sugar, manganese ore, fertilizer, steel ship plates, chemicals, machinery, and iron and steel products. Norway exported large quantities of salted herring and marine fats and oils (extracted from fish and whales), as well as aluminum, pyrites, iron ore, rayon pulp, and rayon staple fiber.

Among those Norwegian shipments, aluminum was the only item on the Battle Act "Category B" list. According to the Norwegians, the making of all these two-way trade arrangements depended upon their willingness to ship aluminum. In the pre-war year 1938 the Norwegians had shipped 5,269 tons to Eastern Europe; in 1950 it was 5,350 tons, and in 1951 it was 3,800 tons. The 1952 agreements provided for only 3,250 tons. (Deliveries were completed in the spring of 1953.)

These 3,250 tons probably amount to between one and two percent of the annual aluminum production of the Soviet bloc.

Primary aluminum, because it is used in aircraft production and has other strategic uses, has been on the Battle Act "Category B" list from the beginning. In the view of this government, it would be desirable if no aluminum were shipped from the free world to the Soviet bloc. At the same time, we recognize that Norway's decision to ship aluminum grew out of genuinely difficult problems, and that the Norwegians felt that the resulting trade would benefit the free world.

This is true also of the miscellaneous shipments that are reported herein from the Federal Republic of Germany, France, and the United Kingdom. The governments of all these countries cooperate in the mutual defense of free institutions.

The Battle Act provides that the President, in deciding whether to continue assistance to a country, shall take into account

the contribution of such country to the mutual security of the free world, the importance of such assistance to the security of the United States, the strategic importance of imports received from countries of the Soviet bloc, and the adequacy of such country's controls over the export to the Soviet bloc of items of strategic importance.

Though all those considerations are important and have entered into my recommendation to you in this letter, the central issue is whether the cessation of aid to these countries "would clearly be detrimental to the security of the United States."

There is no doubt in my mind that it would be. Again taking Norway as an example, that country, although it has a population of only about 3,300,000 and is not very richly endowed with natural resources, makes a valuable contribution to the mutual security of the free world. It has a geographical location of great strategic importance

at the extreme north of Europe. Only Norway and Turkey among the fourteen NATO countries have common boundaries with the USSR. Despite this exposed position, the Norwegians have not hesitated to cast their lot openly with the West. They took part actively in the development of the North Atlantic Treaty and are engaged in a defense program that is unprecedented in Norwegian history.

Economic aid from the United States has been of great help to Norway in strengthening its economy; but by far the larger part of aid to Norway now is direct military aid, such as arms, ammunition, and other equipment for use by Norway's armed forces. This aid is essential to Norwegian combat effectiveness. It is a practical investment in a strong and peaceful world. It benefits not only Norway but also the United States and other free countries. To have a strong nation on the northern flank of Europe, with well-equipped forces for air, land, and sea defense, helps to deter aggression and prevent war.

To state the point concisely: The aid we are sending strengthens our security. Not to send it would be detrimental to our security.

Respectfully,

HAROLD E. STASSEN

THE FOREIGN SERVICE

Consular Offices

The consulate at Gibraltar has been closed to the public and will be officially closed at a later date. It was not possible to close the office officially on July 31, as had been announced earlier.¹

Because of budgetary limitations, the consulate at Brisbane, Australia, is being closed. The office was closed to the public on August 14 and will be officially closed at a later date which will be announced as soon as it is determined.

The consulate general at Sydney, Australia, assumed jurisdiction for the area formerly in the Brisbane district on August 15.

The consulate at Regina, Canada, will be closed to the public after August 31. The office will be closed officially at a later date which will be announced as soon as it is determined.

The consulate general at Winnipeg will generally be responsible for the work formerly performed at or around Regina. There are no specifically delineated consular districts in Canada.

The consulate of Newcastle-on-Tyne, England, will be closed to the public on September 11 and will be officially closed at a later date.

Effective September 11, consular jurisdiction over the counties of Northumberland and Cumberland will be assumed by the consulate at Edinburgh, and the counties of Durham and Yorkshire will be included in the district of the consulate at Manchester.

¹ BULLETIN of Aug. 3, 1953, p. 157.

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†443	8/17	Registering Mexican securities
444	8/17	Note to U.S.S.R. on Austrian treaty
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†454	8/21	German war-damage claims

*Not printed.

†Held for a later issue of the BULLETIN.

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